

AN OUTLINE OF
POSTAL HISTORY

AND

PRACTICE

WITH A HISTORY OF THE POST OFFICE OF INDIA

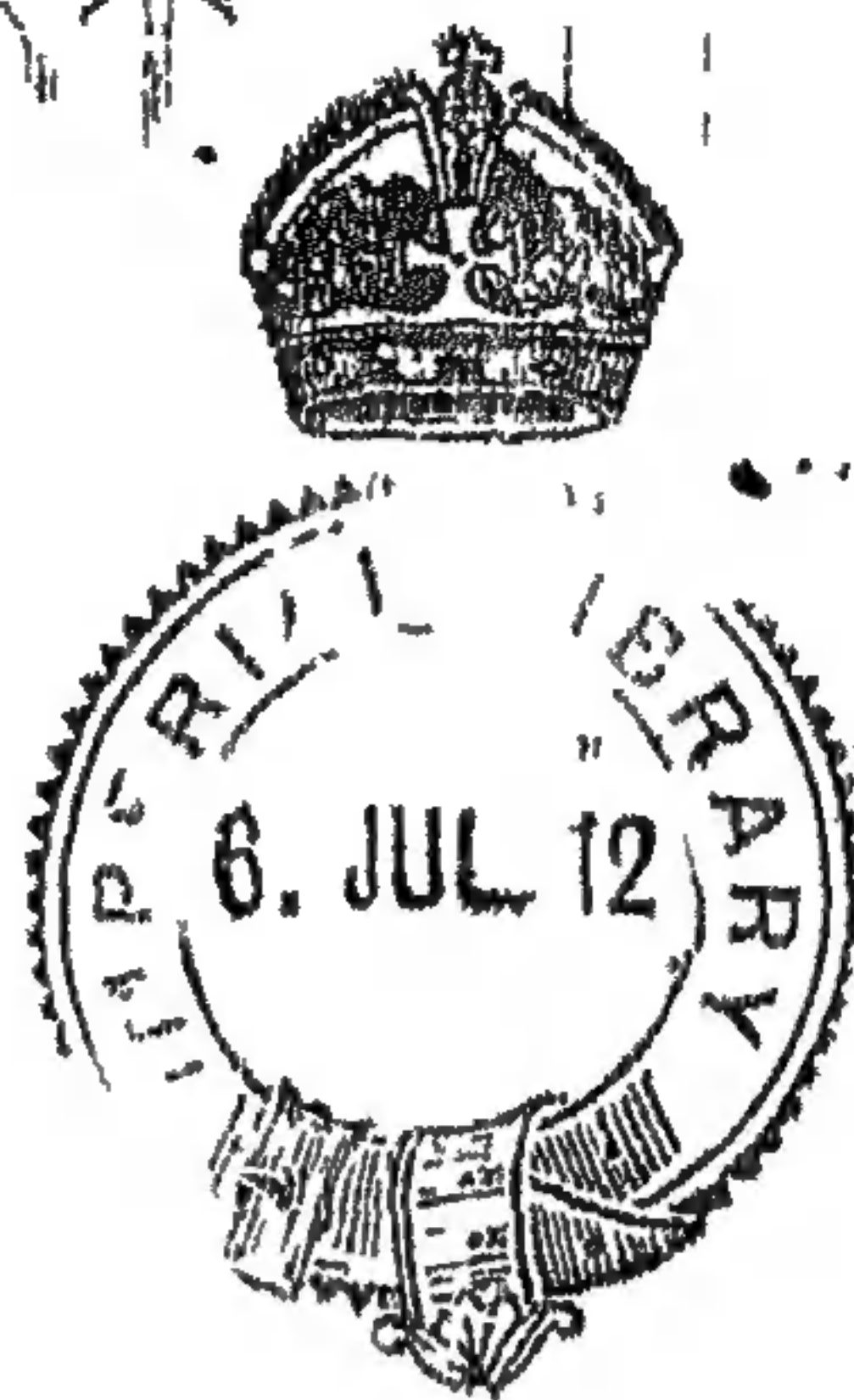
IVIE G. J. HAMILTON

LATE POST OFFICE ^{SECRETARY} OF INDIA

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PREFACE.

THESE pages were commenced with a view of instructing probationary Superintendents in the history, principles, and practice of their profession; and were continued with the idea of commencing a history of the Post Office of India. No one has attempted this latter task, and it was found somewhat difficult to gather information regarding the early posts in India.

In the first three chapters the purely historical portion is dealt with as briefly as possible, the idea being to show the general causes which have contributed and led to change and development, and to point out the principles adopted in the carrying out and working of reforms.

I have to thank the Hon'ble Mr. C. Stewart-Wilson, Director-General of the Post Office, India, for kindly sending me for perusal some books and records from the Director's library.

DACCA,
1910.

I. HAMILTON.

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Her Majesty's Mails. (Lewins.)

L'Union Postale.

St. Martins-le-Grand.

Annual Reports of the Postmaster-General, United Kingdom.

Annual Reports of the Director-General of the Post Office of India.

Encyclopædia Britannica.

The Imperial Gazetteer of India.

History of the Post Office. (H. Joyce.)

The Jubilee of Penny Postage.

Forty years at the Post Office. (F. E. Bains.)

"I have gathered a posy of other men's flowers,
Nothing but the thread that binds them is my own."

by the crown. In 1788 this service attracted the attention of Parliament, and the "commissioners of fees and gratuities" reported that many officers of the Post Office were owners of hired packets, even down to the chamber-keeper. The commissioners recommended that the crown vessels should be sold, and the entire service be provided for by public and competitive tender. The "Rob Roy" in 1818 was the first steamer to ply regularly between Greenock and Belfast, and three years afterwards the postmaster-general established steam crown packet services.

France.—The earliest postal system in France that had any degree of permanency was established by the University of Paris. From the beginning of the 13th century this institution maintained couriers, who took charge of letters and money from the students collected in the city from almost all parts of Europe. This lasted till 1719 when the University was made to discontinue its service, but had assigned to it as compensation, 300,000 francs yearly from the revenue of the Post Office, which was paid till the beginning of the revolution.

Louis XI established for his own use mounted messengers, and in 1468 instituted post stations at intervals of four leagues on the chief roads of France. It appears that in 1481 the King authorised private persons to despatch letters by the royal riders—*chevanceurs*—this privilege, however, had to be purchased at a high price. During the reign of Louis XIV a monopoly was established because the post had become remunerative, and it was first farmed out to a man called Potin.

In 1660, an international postal conference was summoned in Paris, to regulate the conditions under which the postal service between France on the one hand and Spain and the Netherlands on the other, should be conducted. The days of despatch, and the cost of conveyance were fixed and a special feature in the agreement was the recognition of the principle of reciprocal compensation, the postage on correspondence forwarded in the direct service between France and Spain, should only be paid at its destination, consequently by the

addressee. The result of this arrangement was that the accounts kept against each other by France and Spain were discontinued.

In 1760, Pierron de Chamousset set up a penny post in Paris. The chief office of the "petite poste" was in the Rue des Dechargeurs, with branches in each quarter of the city. There were two hundred boxes in all at different points and one hundred and seventeen postmen. Collections were made frequently, and there were nine deliveries a day in the city and three in the outskirts, the postage being from two to three sous. The postmen wore uniforms, and announced their approach by tapping on an iron plate.

In 1688, when the post was farmed out the third time the revenue amounted to 1,400,000 francs. In 1786, when it was leased for the 23rd time, the price paid amounted to 10,800,000 francs, and at the expiration of the last lease in 1791 when the establishment reverted to the King, it produced a clear income of more than 11,000,000 francs.

In *Germany* the first post was established in Tyrol in the latter half of the 15th century by Roger I, Count of Thurn and Taxis, and the next in 1516 between Brussels and Vienna. Charles V had a riding post established between the Netherlands and Italy. Even financial reasons would soon dictate a formal permission to Government couriers to carry letters for individuals, of course under regulation and restriction, although at the outset such a practice may well have been rather connived at than allowed. In the postal systems of Spain and the German Empire there is record of such permission in 1544, and within 15 or 16 years that permission had grown into a legalized and regulated monopoly, from whence the Counts of Taxis drew part of their profits as Postmasters-General.

L'Union Postale (Volume XVII, page 128), says :—"As in consequence of constant want of money, the Royal Exchequer was unable to fulfil its engagements towards Francis von Taxis, the latter had to fall back on postage receipts in

order to maintain his institution. The conveyance of private correspondence and of private persons by post was, therefore, allowed, on the condition that such conveyance did not interfere with the Royal service." Germany was a collection of small territories, each having its own post, so it was natural they should remain in a backward condition.

In 1867, the Thurn and Taxis system was abolished and a uniform rate of 1 silber-grossen or 3 kreuzers (about 1d.) for a single letter was fixed for the whole of North Germany. Since the establishment of the German Empire a uniform system has been organised, Bavaria and Wurtemberg still retaining the management of their posts.

Austria-Hungary.—Vienna possessed a local letter and a parcel post in 1772, at which date no city in Germany possessed the like ; and in 1785 this was taken over by the imperial post. The separate postal organisations of the Empire of Austria and of the Kingdom of Hungary date from 1867. In Austria the post and telegraph offices are under the control of the minister of commerce, whereas in Hungary they are under the minister of public works.

The postal system in *Italy* arose in Piedmont. Until 1561 the transmission of letters was in the hands of the communes or private persons, who were authorised by the State to charge for the service which varied according to circumstances. In the year mentioned the posts were farmed out by Emmanuel Philibert, Duke of Savoy, to a Postmaster-General. This arrangement continued until 1697, when the profits of the Post Office were amalgamated with the revenue of the State, and since 1710 the Post Office was administered directly by the State. In 1816 the system of Piedmont was reorganised, and since the unification of Italy it was extended to the whole kingdom.

There is nothing requiring special mention as to the posts of North, South or Central America.

CHAPTER III.

FINAL STAGE.

THE third stage in the development of the Post Office is that in which the department is declared to exist for the convenience of the public, and it assumes a number of industrial functions, besides the carriage of letters. This stage may be said to commence with the introduction of a cheap and uniform rate of postage. The exorbitant rates of postage which existed at the time, were introduced in 1812, and were the highest ever attained in the country. If the following schedule is examined, it would seem to be ingeniously devised for the special purpose of being intricate, expensive, and difficult to work :—

SCHEDULE.

						Single.	Double.	Treble.	Ounce.
						d.	d.	d.	
Not exceeding 15 miles						4	■	12	16
Above 15 and not exceeding 20 miles						5	10	15	20
"	20	"	"	"	30	■	12	18	24
"	30	"	"	"	50	7	14	21	28
"	50	"	"	"	80	8	16	24	32
"	80	"	"	"	120	9	18	27	36
"	120	"	"	"	170	10	20	30	40
"	170	"	"	"	230	11	■	33	44
"	230	"	"	"	300	12	24	36	48
"	300	"	"	"	400	13	26	39	52
"	400	"	"	"	500	14	28	42	56
"	500	"	■	"	600	15	30	45	60
"	600	"	"	"	700	16	32	48	64
Above 700 miles						17	34	51	68

It was calculated that the average charge on an inland letter was $6\frac{1}{4}d.$, and these charges were grievously felt by the general community, and pressed heavily on its poorer members. It was forcibly brought home to Rowland Hill, a Worcestershire schoolmaster, by the fact that, when engaged to his future



SIR ROWLAND HILL, K.C.B., D.C.L., F.R.S., F.R.A.S.,

Originator of the Uniform Penny Postage System Born December 3rd, 1795. Died August 27th, 1879. Buried in Westminster Abbey.

(From *Graphic*, 6th September, 1879.)

(15)

wife, he and she found it necessary from motives of economy, to sacrifice sentiment, and to restrict their correspondence to a letter once a fortnight. This turned his attention to the subject, and for some years he went exhaustively into the study of the rates. The result was, that in 1837 he published his remarkable pamphlet, entitled *Post Office Reform: its Importance and Practicability*, in which he demonstrated: (1) that the Post Office revenue had remained stationary from 1815 to 1835, *i.e.*, for 20 years, although the population had increased, and there was a great increase in trade and commerce; and that the postal revenue ought to have shown an increase of £507,700 a year in order to have simply kept pace with the growth of population; (2) that the average charge per letter was 6½d., whereas the expenses in connection with its disposal he divided into two heads, those for handling in the office of despatch and its delivery, and the cost of transit, and these amounted to two-thirds, the total cost of the management of the Post Office. And proceeding with his investigations he showed that the *average* cost of transit was one-tenth of a penny, and from this he argued that if the charge was to be made proportionate to the distance, it must clearly be *uniform*, as it was impossible to collect one-tenth of a penny; (3) that the existing system resulted in a complicated and expensive system of accounts, involving great waste of time, and offering inducements to fraud; and that if the rates were made uniform, and pre-payment by means of stamps or stamped covers introduced, there would be an economy of labour (*e.g.*, as the staff could distribute four or five times the number of letters they were then able to deliver), and the accounting could be done away with or greatly reduced. He showed the cost of collecting postage by money payments on delivery, would be six times as great as the cost of collecting postage by stamps. In conclusion, he advocated the rate of one-penny per letter weighing not more than half an ounce. The pamphlet created a great sensation. The subject was warmly taken up by the mercantile community, and petitions began pouring into Parliament

from various public bodies that the scheme might be considered. The pressure became so great that the Ministry appointed a Committee of Enquiry, which concluded its deliberations in August 1838. The evidence was clear and most convincing that the high rates were responsible for a vast amount of illicit letter conveyance, and the report said :—"The means of evasion are so obvious and frequent, and the power of prevention so ineffectual, that the post has become only the *extraordinary*, instead of the usual, channel for the conveyance of letters." The committee approved of Mr. Hill's scheme and said that the existing rates were so high as materially to interfere with and prejudice trade and commerce. They recommended :—"that the principle of a low, uniform rate is *just in itself*, and when combined with prepayment and collection by stamp, would be exceedingly convenient and highly satisfactory to the public," and that in their opinion "the establishment of a penny rate would not, after a temporary depression, result in any ultimate loss to the revenue. As, however, the terms of their appointment precluded them from recommending any plan which involved an immediate loss, they restricted themselves to suggesting a uniform two-penny rate." Accordingly in the session of 1839 a bill was passed for a uniform rate of postage, which conferred temporarily the necessary powers on the Lords of Treasury, and in 1840 a uniform rate for half an ounce and a system of prepayment by stamps was adopted. It may be interesting to note how the scheme was nearly wrecked. The Parliamentary Committee adopted the vital principle of uniform postage by the casting vote of Mr. Robert Wallace, its Chairman. The Government were reluctant to move in the matter, but a series of fortunate incidents aided the scheme. Lord Melbourne's Government having only escaped defeat by a narrow majority of five votes on the second reading of the Jamaica Bill, the Ministry resigned, and Sir Robert Peel was sent for to form a new Government, but was unable to do so owing to the "Bed-chamber difficulty." So Lord Melbourne was recalled, and in the nego-

tiations with the radical members for future support, the bargain was struck that the support would be given, provided penny postage was conceded. It will thus be seen that one of the greatest social reforms ever conceived was introduced as bribe by a tottering Government to secure political support. Mr. Lewins has pointed out in his book on *Her Majesty's Mails*, that the scheme should be contemplated in two aspects, the one to its social, moral and commercial results, and the second its financial results. "When the system had been in operation two years, it was found that the success of the scheme in its first aspect had far surpassed the most sanguine expectations ever formed of it by any of its advocates." The success in its financial aspects was longer in its attainment. In the first year the number of letters had more than doubled, but there was a deficit in the revenue, and it was not till 1850-51, the twelfth year of penny postage, that the old gross revenue was passed, and in 1863 that the net revenue was reached. In his pamphlet Mr. Hill had expressed an opinion that the maintenance of the revenue depended upon the carrying out of *all his plans*. These included increased speed in the delivery of letters, greater facilities for their despatch, and simplifications in the operations of the Post Office, besides the uniformity of postage, and with the exception of the latter they had not been attempted. Trade was flourishing when the uniform Postage Bill was passed, but for some years afterwards it was greatly depressed. It was contended that the reduction in postage was a reduction in taxation, and the capital thus relieved was employed in other and probably more legitimate channels. In 1842, although there was a loss on Post Office revenue of £900,000, yet there was no serious deficiency in the general revenue of the country, notwithstanding the great depression in trade. Then the carriage of mails by railway, because of the greater speed, had increased, in some cases doubled, and even quadrupled the expenses of transit. Mr. Hill had calculated that the number of letters might be increased twenty-fourfold without any material addition to

the sums paid to the contractor. In 1842, on a petition presented to the House of Commons by Mr. Hill, a committee was appointed "to enquire into the measures which have been adopted for the general introduction of a penny rate of postage, and for facilitating the conveyance of letters; the results of such measures as far as relates to the revenue and expenditure of the Post Office and the general convenience of the country, and to report their observations to the House." This committee (1843) also reported favourably on the principal recommendations placed before it by Mr. Hill, and the latter was given an appointment in the Post Office, so that he could supervise the various measures. The report showed that the vast amount of illicit letter conveyance, prevalent before the introduction of the scheme, had been stopped, and in cases where breaches of the law continued, it was simply in matters where the question of speed was involved. Twenty years afterwards Mr. Hill received the honour of Knight Commander of the Bath, and when he retired in 1864 from his duties as Secretary of the Post Office he was granted his full salary as a pension, and a Treasury minute referred to him as not "merely a meritorious public servant, but a benefactor of his race." The author of *The Jubilee of Penny Postage* has shown that it was the courage, the sturdiness and tenacity, as well as the inventive faculty of Sir Rowland Hill, that demonstrated, that, in point of fact, the distance travelled was almost an infinitesimal element in the cost of the transmission of a letter. That was the great point that had to be established. This is the most important reform ever introduced in the Post Office, and has been adopted by all the postal administrations of the world. It is now nearly seventy years since the introduction of penny postage and the British Post Office still leads in the simplicity and liberality of its letter rate, which in 1897 was made one-penny for a quarter of a pound (4 ounces), and the sample post was consequently abolished.

It was in 1635, that the rates were fixed according to distance, so it took just two hundred years before it was demon-

strated that they were exorbitant, injurious and oppressive socially as well as to commerce, and that they had been levied on a practically wrong principle. And this was demonstrated by an outsider who had no connection with the Post Office, and who devised the machinery for carrying out the reforms. Postal progress was slow in the earlier stages. Up till and including the introduction of uniform postage nearly all the more important reforms had been initiated and proposed by outsiders. Since then there has been a great improvement, and dating from about the middle of the nineteenth century may be said to commence the period of the great postal renaissance, nearly all the reforms being initiated and the machinery for their working being devised by departmental officers. This period may well be termed the Victorian era of the Post Office, as the principal events took place during the reign of our late great Queen, to whom alone the law gave supreme control over the posts. (I Vic., cap. XXXIII, sec. 8, although her ministers might perhaps claim to act on her behalf), who took such an interest in postal matters, and who on the introduction of penny postage cheerfully volunteered to resign the privilege of franking and to pay postage like all her subjects.

Although the chief object of the department is the prompt and rapid transmission of letters, no institution perhaps has undergone so much revolution since the introduction of uniform postage. By its extensive organisation and numerous agencies it was found to be capable of infinite extension and growth if adapted to some of the minor needs of the community, and in this light was made to subserve the best interests of the state. In fact, it has become a collection of different, though connected industries, and is so indispensable an agent in human affairs, that the slightest irregularity in its working causes the greatest confusion in social life. During the Victorian era just mentioned, full advantage has been taken of the power obtained from steam in increasing the speed of mails both on land and on water, and arrangements made for sorting during transit. To the carriage of letters has been

added the carriage of parcels, and in India and some other countries the collection of the value of their contents. The transmission of remittances is undertaken by the Money Order Branch. In the Savings Bank Branch the Post Office has not only become the banker of the poor, but acts as broker for investments in Government stock, and as assurance agent for annuities and life insurance.

The inventions of the telegraph and telephone are worked by the State, except in the United States of America. In India, Government revenue and dues are remitted by a special system of Money Order ; indents for the supply of salt from the Government factories are received ; Government quinine is sold in small quantities and at a price within the reach of the poorest individual and practically at every village by the village postman ; and the department has successfully undertaken the payment of native military pensioners in the Punjab.

The Old Age Pension Act, 1908, provided for the payment of the pensions weekly by the post offices of the United Kingdom. The first payments were made on New Year's Day, 1909. By the Finance Act of 1908, certain local taxation licenses previously issued by the Inland Revenue Department have been issued exclusively by the Post Office.

A brief description will now be given of those functions which are common to most postal administrations, and those which are peculiar to India will be treated of in the chapter on the Post Office of India.

Before closing this chapter it may be interesting to trace the growth of the penny postage movement and the advance it has made towards a universal penny post.

After the introduction of uniform inland penny postage in 1840, the next reform pressed on the Post Office was for *ocean* penny postage. This was by Elihu Burritt, the promoter of the first International Peace Conference, in a pamphlet published in 1851, entitled *An Ocean Penny Postage. Will it pay ?* An *ocean* rate of one-penny was advocated for a letter from any



port in the United Kingdom to any port at which British mail packets might touch. "It would meet the terms of our proposition if every letter under half an ounce, from any port in Great Britain to any town in the Colonies, should pay *three*-pence; one-penny for the home inland rate, another penny for the ocean, and the third for the Colonial inland rate, and *vice versa*. The Government now charges one shilling for these rates."

The agitation for *ocean* penny postage was extended and merged into one for a *universal* penny postage by Mr. William Hastings, who introduced the matter to the Huddersfield Chamber of Commerce in 1864, and in 1866 published his pamphlet, *Universal Penny Postage*, in which he contended that the cost of transit of a single letter from the United Kingdom to Japan was under two-fifths of a penny, and to New York under one hundredth.

·The next form adopted by the agitation for the extension of the penny post was in the direction of *Imperial* penny postage. This measure was pressed by Mr. H. Fawcett, Postmaster-General, in 1880, upon the Colonies, but the latter did not respond. As the idea of a closer connection with the Colonies advanced under the efforts of the Imperial Federation League, and such advocates as Mr. Arnold Foster, Mr. Henniker Heaton and Mr. James Hutton, an Imperial penny post was established in 1898 with the exception of Australia and New Zealand.

Universal penny postage has not yet been achieved. It was advocated by Sir J. Ward, Postmaster-General of New Zealand, at the Universal Postal Congress at Rome in 1906, and is bound to be advocated again in the next Congress to be held at Madrid. In the meantime, a penny post has been established between the United Kingdom and the United States, and similar arrangements are under negotiation between the United Kingdom and France. The memorable dates showing the advance of the movement are given below:—

1840. Uniform penny postage established in the United Kingdom.

- 1898. Penny post established in the Empire, with the exceptions of Australia and New Zealand.
- 1900. Penny post with the Transvaal and Orange River Colony.
- 1901. Penny post with New Zealand.
- 1905. Australia adopted penny postage from the United Kingdom, but maintained the rate on letters from Australia at 2d. per half ounce.
- 1905. Penny post between the Empire and Egypt including the Soudan.
- 1908. Penny post between Great Britain and the United States.
- 1909. Penny post between Germany and the United States.

There is also a penny post between the United States and Canada, and between Austria and Germany.

In 1908, the Government of India intimated their willingness to introduce penny postage between India and the United States, but the American Post Office was not prepared to accept this offer. There are certain difficulties at present regarding the introduction of penny postage between the United Kingdom and France. If each of the 12,500,000 letters sent from the former to the latter was under an ounce, the loss on each would be 1½d., and the total loss would be £78,000. But many of them are over an ounce, and on each such letter there is an additional ½d. of loss for each additional ounce, bringing the total gross loss up to £82,000. The number of letters would have to be increased at least six-fold before that additional cost could be wiped out. The problem becomes still more serious from a financial point of view when it is remembered that if letters could be sent to France for 1d., it would become almost impossible for 2½d. to be charged for the postage of each letter sent to Brussels or Berlin. When a penny post is introduced to France, it would soon have to be extended to other European countries, and this would mean a loss of £325,000 per annum. The introduction of penny postage

between the United Kingdom and the United States cost between £120,000 and £130,000 in the first year, and as there is a stringency of funds the present Liberal Government does not consider this an opportune moment for undertaking a contingent liability which might amount to £325,000.

By the end of 1909 penny postage existed in the international relations of more than twenty countries.

CHAPTER IV.

THE VICTORIAN ERA.

Registration.—France was apparently the first country that established a system of cheap registration for letters, and this was introduced in 1627 by the philanthropic Postmaster Pierre d'Alméras, a man of high birth.

In the United Kingdom an Order in Council dated as far back as July 1556 had ordained "that the poste between this and the Northe should eache of them keepe a booke and make entrie of every letter that he shall receive, the tyme of the deliverie thereof unto his hands with the parties names that shall bring it unto him, whose hands he shall also take to his booke, witnessing the same note to be trewe." In 1630 another Order in Council passed, requiring that "every post shall keepe a large and faire leger paper booke, to enter our packets in as they shalbe brought unto him, with the day of the moneth, houre of the day or night, that they came first to his hands together with the name of him or them, by whom or unto whom they were subscribed and directed."

In 1680 Dockwara, when establishing his penny post, was careful to provide that letters on reaching any one of his seven sorting offices should be "entered."

In 1787 a Commission of Inquiry was held on the Post Office, and Mr. Joyce says:—"On the subject of registered letters addressed to places abroad the Commissioners merely expressed the opinion that the registration fee, instead of being any longer treated as a perquisite, should be applied to the use of the public; but they nowhere stated, and perhaps had not been informed, what this fee was. It may be interesting if we supply the omission. The fee for registering a packet of value was, outward 21s., and inward 5s. It seems incredible, and yet such is the unquestionable fact. For every letter

registered abroad the controller of the foreign office received 10s. 6d., the deputy-comptroller 4s. 6d. and six clerks 1s. a-piece. One guinea for registration ! And it was all the more monstrous because there can be little doubt that at one time letters had been practically registered without any fee at all." In 1814 the fee for the registration of a foreign letter was still one guinea, but in this year receipts had to be given to the senders of registered letters.

Immediately previous to uniform postage all inland letters containing, or supposed to contain coin or jewellery, were registered gratuitously as a security against their loss ; but under the new system it was considered impracticable to continue this gratuitous service, which was dropped altogether. It was soon found that, as the number of letters increased, the number containing coin had also increased, and there was a considerable increase in the number of complaints of theft. Formerly a postman was given so many letters on which amounts had to be collected and it served as a certain check, but when pre-paid letters were made over to him this security was discontinued, and he had unbounded opportunity for dishonesty with no check.

Mr. Hill while at the Treasury had recommended a system of registration, which was somewhat similar to the plan adopted by the Post Office in 1838, but the charge, 1s. per letter, rendered it nugatory. In 1841 a proposal for the compulsory registration of letters supposed to contain coin was referred to Mr. Hill, who considered the principle of compulsory registration quite fair, but pointed out that the high rate of 1s. deterred the public from registering their letters voluntarily. He suggested that the fee should be lowered to 6d. to be reduced still further as soon as practicable. He considered :—" The public, under a lower rate, would have little excuse for continuing a bad practice ; but if it was continued, restrictive measures might then be tried, as the only remaining method of protecting the public from the consequences of their own imprudence." It was not till 1862

that the fee was lowered from 6*d.* to 4*d.*, and the compulsory registration of letters containing coin was introduced. In the United Kingdom a double fee is charged for ordinary letters found to contain coin, whereas in the Netherlands a treble fee is inflicted; and in France the posting of an unregistered letter containing money or other valuable articles is treated as a penal offence. "Lead us not into temptation" forms a part of the daily supplication of the Christian, and the French have acted quite in the spirit of Christianity by making it a penal offence to send valuables in an unregistered letter. The benefit and blessings of compulsory registration as far as the staff is concerned may be judged from the fact that the convictions for letter-stealing have been reduced more than ninety per cent. In India the famous Ambala Sweep of olden times was stopped by Government because of the theft of letters containing ten-rupee currency notes addressed to the Sweep Secretary.

The registration fee in the United Kingdom is now 2*d.*, and when there was a proposal for its reduction, Sir James Fergusson, then Postmaster-General, replied that to reduce it from 2*d.* to 1*d.* would be impossible, as the present fees only paid expenses. Switzerland is probably the only country having so low a registration fee as 10 centimes.

Registration is merely an arrangement by which in return for a fee the Post Office agrees to take special care of an article. The plan adopted is based on the principle that every registered letter must be signed for in passing from hand to hand. This system affords almost absolute security of transmission, and under-writers testify that the registered post is the safest means of conveyance they know.

Let us now consider the amount of security afforded. The Postmaster-General, United Kingdom, in his 8th Report, says, 1 registered article was lost to about every 90,000 and this is almost the same proportion as in the United States of America, which is one piece in every 86,156 (*L'Union Postale*, Volume XXIX); and regarding this the Postmaster-General of the latter country proudly remarks:—"It is doubtful if

there is a private enterprise in the world doing business of half the magnitude of the registry system, that can boast of such a record for safety and efficiency."

It was calculated (10th Report of Postmaster-General, United Kingdom) that one letter in every 23,000 goes astray, so that the relative security conferred by registration is about four times that of unregistered articles.

In consequence of the great security the International Postal Congress held at Washington decided that unless *prima facie* evidence is produced that a registered letter has actually failed to reach the addressee, no enquiry concerning it shall be undertaken until a fee of $2\frac{1}{2}d.$ for the acknowledgment of the delivery of the letter has been paid.

During 1680 Dockwara introduced the principle in the English Post Office of giving compensation for the loss of a letter or a parcel, and this continued till about 1760, when the practice was rescinded, and was not revived until adopted by the Universal Postal Union, and made applicable to the registered correspondence exchanged between all the countries forming the Union. The ordinary registration fee in 1886, entitled the sender in the event of loss to claim £2; for an additional insurance fee of $1d.$ the limit was raised to £5; and for $2d.$ to £10.

In 1891 in the United Kingdom the separate system of insurance was abolished, and an amalgamated system of registration and insurance introduced, whereby compensation was paid in case of loss or damage according to the amount of registration fee affixed to the article. The rates are, a registration fee of $2d.$, entitles to compensation up to £5; $3d.$, £10; and each additional penny to a further £10 up to a maximum of £120.

In India previous to 1877 coin was not allowed to be sent by post owing to the danger of the mails being stolen, and since then has only been permitted when insured. Registration is resorted to more largely in the Madras Presidency than in any other part of India, and this is attributed to the fact that

currency notes are used for remittances, whereas hundies are more used for this purpose in other provinces.

In India also free receipts are given to the senders of all registered articles, both letters and parcels, a voluntary procedure which is not accepted by any other administration, and which causes much unnecessary expense both in books and in establishment. If a person requires a receipt for a registered letter or parcel, it is not understood why he should not pay for a certificate of posting as in England. A reduction in the registration fee, 2 annas, was proposed by a Chamber of Commerce, and should this concession ever be granted, the privilege of giving free receipts for registered letters and parcels would probably be withdrawn, and any person wishing for a receipt could obtain a certificate of posting, as is done at present for ordinary letters.

Both in England and in India letters are registered by the rural postmen on their rounds.

Insurance was introduced in India in 1878 and the system had its origin in a desire to separate between the valuable and non-valuable portion of the mails.

The Post Office does not entertain any claims, when an insured article is delivered in the state in which it was originally posted.* The Post Office cannot ascertain what are the contents of a sealed article, and there is no guarantee that the sender's statement of the contents is true. If claims for compensation were entertained, as a matter of course, the Post Office undertaking to pay up at once the whole amount insured, there would be an opening for fraud which would soon be systematically worked. In one case when an insured letter was opened and found to contain pieces of paper instead of currency notes, which the sender had written to say were enclosed, the addressee prosecuted the sender on a charge of cheating and obtained a conviction, though the prisoner persisted in saying he had sent the notes.

Articles of gold and silver, precious stones, jewellery and other articles of a like nature, which are prohibited for trans-

mission in insured letters may be sent in the letter mails as "insured boxes" between the following countries:—Austria, Belgium, Bulgaria, Denmark, Egypt, France, Germany, Holland, Italy, Luxemburg, Montenegro, Portugal, Roumania, Switzerland, and the United Kingdom. These boxes are subject to the customs regulations in the country of destination, and must be accompanied by customs declarations prepared by the senders.

Probably the most intrinsically valuable single article ever intrusted to the Post was the "Cullinan" diamond when despatched from South Africa to London, for which the ordinary postage and a registration fee of 4*d.* was paid. Had the article been lost, compensation to the extent of £2 only would have been paid. This has been claimed as an example of "public confidence in the postal service of the Empire," and a writer in *St. Martins-le-Grand* cynically adds, the fool-hardiness of the possessors of valuable property."

The Parcel Post.—Besides being able to claim the first introduction of a registration and a money-transmission system, the French Post Office can claim the first introduction of a parcel post. Mazarin's edict of 1643 shows there was a parcel post as well as a letter post, and both were in operation at a later date according to the regulations framed in Fleury's edicts of 1728.

In the United Kingdom when Robert Murray started in 1683 his penny post in London, the service was not confined to letters. It extended also to parcels, the only condition being that neither parcel nor letter should exceed one pound in weight or ten pounds in value. The Post Office, when it organised a supplementary parcel service, undertook the duties of common carriers. Mr. Hill often said that the carriage of parcels without limit as to weight, and at a lower rate than even a penny per half-ounce, was a feature of his postal scheme, but it remained to his successors to introduce a parcel post into England. This did not come into operation till 1883, whereas several European postal administrations and India had a parcel

service long prior to this date. Even now the United States Post Office has no parcel post. Mr. Bains in his *Forty Years at the Post Office* has given an account of the numerous difficulties that had to be met and anticipated in the introduction of a parcel post in the United Kingdom. He explains that "postal parcels, for good reasons, are required to be brought to a post office. The apertures of the letter-boxes are, for the most part, too small to admit of parcels being posted in them; and there is less risk under this rule of such articles being sent—a paper bag of ripe damsons, or a bottle of vegetable oil, for example—as would be harmful to letters..... Again, prepayment is an essential condition of cheap postage." The rates were :—1 lb., 3*d.*; not exceeding 3 lbs., 6*d.*; 5 lbs., 9*d.*; and 7 lbs., 1*s.* The limits of size were, 3 feet 6 inches in length or in length and girth combined 6 feet. Parcels were to be prepaid in adhesive stamps, and might not exceed 7 lbs.

One of the effects of the parcel post was a check on railway abuses, both of over charge and of excessive delays, which had become great evils. For a four-ounce parcel from Cornwall to Inverness the railways charged four shillings, and it was proved in 1848 that the railway profits on small parcels were eighty per cent. The scheme was not at first a financial success. The Parcel Post Act of 1882 secured to the railway companies 55 per cent. of the inland postage on all parcels tendered to them by the Post Office for conveyance, whereas it was calculated afterwards that the work done by the Post Office represents more nearly two-thirds than one-half of the total expenses. As the full postage on parcels conveyed wholly by road was retained by the department, many road services were organised, although there was railway communication. These road services besides being an advantage financially, were found to afford greater security from injury as the handling was reduced to a minimum, and the risk of damage increases with the number of transfers. A parcel could be put into a van at the office door, and not re-handled until it reaches the office of destination—two handlings in

case or four or more when conveyed by rail. These horse services have been replaced by motor vans, which has resulted in an acceleration of the service and, where the loads are heavy and the distances considerable, in a substantial economy. There are now sixty such motor services in different parts of the country.

In 1896 the maximum weight was increased to 11 lbs., and the rates were 1 lb., 3d., and for each additional lb., 1½d., which were still further reduced in the Diamond Jubilee year (1897) to 1 lb., 3d. and for each additional lb. up to 10 lbs., 1d. The charge for a 10 lbs. parcel is thus 1s., and is also the same for a 11 lbs. one.

Every effort was made to meet any new demands likely to result in remunerative business. In London a special delivery of parcels in Covent Garden Market was made at 6 A.M., during the months of May, June and July for the convenience of fruit growers. Special facilities were also arranged for collecting the parcels of private firms, and in two days no fewer than 7,000 parcels were received from one house. Rural postmen and mail cart drivers now collect parcels. Arrangements have also been made in the United Kingdom and in India to collect import customs duties at the office of destination on foreign parcels received for delivery.

When the letter rate in the United Kingdom was reduced to 2d. for half a pound, and 4d. a pound, the letter post was found to supersede the parcel post for light packets.

It was only in 1895 that the cheaper form of unregistered parcel was introduced into India. Although the Post Office had conveyed parcels since 1854, the progress had been comparatively little in consequence of the high rates charged. The great parcel growth of the German Post Office between the years 1872-1882 is attributed to the remarkably cheap and simple rates of postage that were introduced. Increase the number of parcels and you consequently increase the revenue in other branches. When the parcel post was introduced into Italy, the administration estimated that each parcel had

given rise to two letters, or at least two post-cards, and it was also found that the money orders had increased, as the contents of many of the parcels were paid for by money orders.

A few years ago the Eastern Banks availed themselves of the facilities of the parcel post in connection with their bullion shipments to and from India. By parcel post 500 sovereigns could be sent to India for 6s. 5d. as compared with £2 10s. ($\frac{1}{2}$ per cent.) charged by the P. and O. Company as freight on specie. The P. and O. Company protested against this use of the parcel post as an infringement of their rights. As the Post Office neither desires to have the transmission of large sums of money nor had arrangements been made for the purpose, and as Government has declared that the department shall not be responsible in a pecuniary point of view for conveyance of parcels any more than for that of an ordinary letter, it was considered not a legitimate use of the parcel post, and a notification was issued prohibiting the transmission of more than £5 of gold in any one cover.

A description of the value-payable system as applied to the parcel post will be given in the chapter on the Post Office of India.

In Italy the parcel post was started in 1881, or two years before such a service was commenced in England.

CHAPTER V.

THE VICTORIAN ERA—(continued).

Money Order.—The French Post Office besides being the first to start a registration system, was the first to originate a postal money-transmission system. This was introduced in 1627 by the celebrated Postmaster Pierre d'Almères and the actual coin or paper money made over by the remitter to the Post Office, was delivered to the payee. The service was converted into a money order one in 1817. The causes which led to the introduction of a money order business in the United Kingdom appear to have been two-fold. The government desired some medium by which sailors and soldiers might remit to their homes such small sums as they could manage to save for that purpose, and the theft of letters containing money had become frequent, so that the Post Office also wished for some means whereby the remittance of coin in letters could be avoided. Three enterprising officers of the department submitted for consideration a scheme they were willing to undertake, provided they were given a monopoly, and were allowed to avail themselves of a part of the machinery of the post office. The undertaking received the sanction of the Postmaster-General, and the firm started work in 1792 with the designation of "Stow & Co." The conditions were that each partner had to find a capital of a thousand pounds; the business was to be carried on at the cost and risk of the firm, which was to receive the profits, and was also to have the privilege of sending all their correspondence free of postage. The commission charged was 8*d.* for every pound. The Post Office issued a notification giving its benediction to the scheme in which it was said:—"As the great object of this plan is to prevent the embezzlement of letters containing money sent by post, the Postmaster-General wishes to recom-

mend it to your attention, and hopes you will give every assistance in your power." It will thus be observed that the avowed object of the money order was the same as that of registration,—to prevent the theft of letters containing coin. As the commission was high, and a letter containing a money order was subject to double postage, it was not conducive to a very large business, each of the partners, however, received on an average about £200 a year.

Attention having been called to this business in the House of Commons, it was eventually taken over in 1838 by the Post Office. The commission was reduced to six-pence for sums under two pounds; and one shilling and six-pence for two pounds and sums up to five pounds. It was, however, found that the new branch was worked at a loss. Soon after the passing of the Penny-postage Act, the commission was reduced to 3*d.* in place of 6*d.*, and six-pence for any amount above two and under five pounds, and although the transactions greatly increased, the loss to the revenue in 1847 amounted to £10,000. When asked to further reduce the commission the Postmaster-General in his 9th Report says: "From time to time the department has been urged to issue money orders when the sum is below £5, for a smaller commission than 3*d.*, descending even to 1*d.* These applications, however, have always been refused, since a commission even of 3*d.* is not sufficient to pay the cost." The loss in working was due to the high commission, the general inefficiency of the system, and the heavy expense incidental to the unnecessary elaborate system of account. In 1859 the system was remodelled, the accounts were simplified, and a saving of £4,000 a year effected. Concessions were also given to the public such as the granting of orders up to £10 instead of £5, and in 1904 the limit was to £40.

In the United Kingdom the money order system is largely used by Government departments for the payment of pensions, separation allowances, remittance of bankruptcy dividends,

etc., and free orders may be obtained by the public, under certain conditions, for the purpose of remitting their taxes.

When a person requires a money order in the United Kingdom, he attends a post office, hands the money with the commission over the counter, and gets in exchange an order made payable to the payee at any money order office he may name. The sender has to transmit this order to the payee, who has to sign and take it to the post office on which it is drawn before he can receive payment. The system worked by the Post Office in India, which is adapted from the German, is a far more convenient one to the public. The sender fills up a money order form, hands it in at a post office, pays the amount with commission, and in exchange gets a receipt. He may even write a small communication on the "coupon" space of the order, and has nothing more to do. The Post Office pays the amount at the house of the payee, delivers the coupon, and obtains a receipt in duplicate,—one being termed the acknowledgment which is sent free to the sender. To carry out such a system, money orders are paid at the house of the payee by the postman or village postman. Not only does this measure adapt itself to native habits by avoiding the need for the personal attendance of women at the post office, but it tends also to lessen the accumulation of cash at offices, and accelerates both the payment of the order and the closure of the account. In the United Kingdom no such convenience is granted, and postmen are not entrusted with the payment of orders. The money order business has become one of the most popular branches of the postal service. One of the most remarkable features of the Post Office of India is the large sums entrusted to its postmen; the poor pay these men receive from Rs. 7 (9s. 4d.) to Rs. 14 per mensem; and the fidelity with which they carry out this payment. Considering their pay and the material from which they are recruited no similar class in any other country can compare with them in integrity.

A form of the English system is worked in the United States of America, and as there were a number of cases in which the amounts of the orders had been fraudulently raised while in the hands of the public, a new money order blank made of so-called "safety-paper," with a marginal check indicating approximately the amount, was introduced in 1905. The properties of the paper are such that the original writing cannot be altered or obliterated without so changing the colour of the paper as to render the forgery apparent. During the eleven months which followed the introduction of this paper, only about a dozen attempts to raise the amount were reported and the alterations were so easily detected as to render the orders unnegotiable.

The French have had a modern money order system since 1817. The order is a kind of bill of exchange drawn by the office of issue on the office of payment. The commission is at the rate of one per cent., or one centime ($\frac{1}{100}$ of a penny) for each franc. Thus an order for five francs (4s. and 2d.) costs only a half-penny. The sender of a blank order in a non-registered letter is liable to a fine of from 50 to 500 francs.

In India a very large proportion of the inland money order business consists of remittances to their families made by native soldiers, police constables, labourers on railway works, and coolies on tea gardens; and the directions of these remittances are very clearly shown by the preponderance of issues over payments in the different circles. The issues are far in excess of payments in Burma, Central Provinces, Assam, Sind and Central India, whereas in the United Provinces, Bombay, Punjab and Behar the payments far exceed the issues. Ceylon also pours into India between 10 and 11 lakhs of rupees a year while receiving in return less than a lakh, the remittances being chiefly made by coolies from the Madras Presidency who have obtained employment in Ceylon.

In India, the average value of each money order is shown to decrease every year, in fact most of the orders are for sums of Rs. 5 to Rs. 10, thus showing that the money order

Business is supported by the poorer classes of the population, and does not, therefore, encroach on the legitimate province of banks and private remitting agencies. The same amount of work is imposed over a remittance of Rs. 5, as over one of Rs. 150, while the commission on the latter is twenty-four times the former, and less trouble is entailed in the payment of large orders, which are payable at big towns than in the case of small ones at villages, whither cash has to be conveyed over long distances.

Telegraphic money orders were introduced in India in 1884, and in the United Kingdom in 1889. In England they are chiefly used by tradesmen who require orders to be executed immediately, by tourists, and the travelling public generally. It is found that most business is done in the months of August and September when the number of travellers is greatest.

In India experience soon showed how readily the system could be exploited by swindlers by false personation, because of the readiness with which travellers in this country confide particulars regarding their life and movements to chance acquaintances, and the credulity with which new comers to a place are accepted as being what they give themselves out. Special attention was directed to the necessity of making the strictest enquiries and of obtaining satisfactory identification before payment, which has been followed by good results.

The system is naturally most used where the saving of time is the greatest, and in 1889-90 about half the total number of telegraphic money orders were issued in Burma, and a quarter of the total number of payments were in Madras.

Postal Orders.—The French Post Office can also claim the first issue of postal notes payable to bearer which took place in 1860.

In the United Kingdom it was felt that the money order system was defective regarding the remittance of small sums. Each order cost the department 3*d.*, and it would be unjust to lower the charge beneath the cost, and thus to confer a benefit upon the transmitters of small sums at the cost of the

community. So a plan of postal orders was devised, and introduced in 1880, giving the public, to some extent, the benefits of a fractional paper currency. The orders were for ten denominations varying from 1s. to 20s., with the commission from one half-penny to twopence, and permission was given to make up broken amounts by affixing stamps.

A postal order is a kind of cheque payable within two months at any post office. To have sent blank cheques in ordinary letters would have been conducive to theft, the very evil to prevent which money orders were introduced, so precautions were taken to make these postal orders unnegotiable. Everything that makes the order safer in the post and in the hands of those who despatch and receive letters—postal clerks, sorters, postmen, errand boys, servants and house-keepers—renders the order more apt to serve the post purpose for which it was intended. Before despatching the order by post the sender was required to insert the name of the payee. A postal order is purchased in blank, but it is not an instrument payable to bearer—in other words a paper currency, like a Bank of England note,—and the life of an order is limited to two months, with an extra commission when that limit is passed. Neither is a postal order a negotiable instrument in the legal sense. A negotiable instrument is one the mere possession of which for value given confers upon the holder a good title. This is not the case with a postal order. It is payable on the face of it only to one person, and no holder, though he may have taken it in exchange for hard cash, can obtain any better title. In other words, when an order has once been stolen, no subsequent holder has any right to it, and is liable to be sued by the legal owner. It is well known that the direction to fill in the name of the sender before parting with the order is commonly disregarded. The advantages to the thief are obvious. An open cheque, so to speak, comes into his possession. To impress this requirement on the public, Sir James Fergusson, when Postmaster-General, notified that unless he was satisfied that the name of the payee was inserted before the holder

parted with the order, and unless the number was furnished, he would not undertake to trace the order in the case of miscarriage or loss. This laxness on the part of the public constitutes the principal danger regarding this cheap and handy method for small remittances, and it is no doubt a fact that postal orders do now, as stamps did formerly, constitute the principal temptation to the theft of letters. After the introduction of postal orders the theft of letters became so numerous that a large increase had to be made in the staff of the Confidential Enquiry branch to trace or check the thieves, and in the United States of America it was found expedient to stop the issue of postal orders altogether. A thief seldom cashes an order at a post office, but induces some person, often a publican, to change it for him in the course of trade.

On the introduction of postal orders, it was found that the money order business began to diminish and the Postmaster-General in his 51st Report remarks:—"As money orders below £1 in amount are unremunerative, the increased use of the postal order system for small remittances is ground for satisfaction."

The latest development is called the Imperial Postal Order scheme and comprises the sale and payment of British Postal Orders in practically the whole of the British Empire with the exception of Canada and Australia. Regarding this, in the report of the Cape Colony Post Office for 1908, it is said that the general introduction in the South African Colonies of these British Postal orders has relieved the public of the second commission payable upon every order from the adjoining territories cashed in Cape Colony; it has established a currency extending through South Africa as well as to the United Kingdom, and to a large number of British dependencies, and it has reduced most materially the cost of small remittances. Under the arrangement with the United Kingdom, that country supplies the orders and audits those that are paid, receiving as its compensation the poundage charged on issue in England, while the colonies receive a certain sum per thousand for all

orders issued or paid as well as the difference between the English poundage and that charged on local issue. These receipts added to the saving on supplies and in staff (in accounting and auditing) quite compensate the Cape Colony for whatever loss may be, following on the transfer of business from money orders to postal orders, leaving the simplicity and other advantages to the public as clear gains on the change.

An order called a "postal note" was introduced into India in 1883. It was of three denominations, *viz.*, for sums of eight annas, one rupee, and one rupee eight annas. Although attempts were made to popularise these notes by the Post Office undertaking to transmit them to destination on payment of half an anna as postage and arranging for their payment at the houses of payees instead of at the Post Office, yet fortunately they were not patronised by the public, and were withdrawn in 1886. The Postmaster-General, Madras, reported that "an opinion seems to prevail in the Madras General Post Office that since the sale of these postal notes was discontinued, there have been fewer losses."

CHAPTER VI.

THE VICTORIAN ERA—(*continued*).

The Post Office Savings Bank.—Savings Banks were started in the United Kingdom early in the nineteenth century, and Government offered every inducement, even guaranteeing interest, first at $4\frac{1}{2}$ per cent., then at 4. From 1817 to 1841 Government had contributed nearly two millions sterling, because the rate of interest allowed by it was greater than that yielded by the securities in which the deposits had been invested. Then the banks suffered from a series of frauds in their management, which were calculated to have swallowed a quarter of a million of the hard-earned savings of the poor. A feeling of insecurity began to spread, which went far to mar the usefulness of these institutions. A commission was appointed regarding proposed legislation on the subject, and Mr. J. S. Mill, when asked for a suggestion, said: "I think it would be very useful to provide some scheme to make the nation responsible for all amounts deposited. Certainly the general opinion among the depositors is, that the nation is responsible; they are not aware that they have only the responsibility of the trustees to rely upon."

Mr. Bowie, in *The Romance of the Savings Bank*, says it came to the notice of Mr. Sykes, a banker of Huddlesfield, that a number of working men beginning with a few pounds, had amassed what was a small fortune of one, two or three hundred pounds. He became deeply impressed with the idea that the number of these provident working people was far less than it ought to be or might be, and that the social and domestic results for good that would ensue would be absolutely incalculable, if bank depositors among the working classes became the rule, instead of the rare exception. He consequently addressed the Chancellor of the Exchequer on the

subject of having a Government Savings Bank worked by the Post Office at every money order office in the kingdom. The scheme was reduced to a workable form by two officers of the department. Mr. Chetwynd and Mr. Scudamore, who were assisted by Sir A. Spearman of the National Debt Office. Mr. Gladstone introduced a bill, entitled "An Act to grant additional facilities for depositing small savings at interest, with the security of Government for the due repayment thereof," which formed the crowning effort of the legislative session of that year, and the first postal bank was opened in September 1861. A deposit of one shilling could be made, with an annual limit of £30, and a maximum balance of £150, while interest was allowed at $2\frac{1}{2}$ per cent. per annum, and was added to the principal on the 31st December each year. It was considered that this low rate of interest would not deter the classes most sought after from depositing. The poorer classes, as a rule, regard the question of a safe investment as a more important one than that of profits, and wisely think far more of their earnings being safe than of their receiving great returns for them.

All that a person had to do was to go to a money order office, and say he wished to open an account. He was then given a statutory declaration to sign that he had no other savings bank account in the Post Office. This done, and the amount of the first deposit being paid, he was presented with a bank book, containing the rules, and an entry of the deposit, attested with the office date stamp. For all practical purposes this was a sufficient guarantee, but in addition he received in a day or two afterwards an acknowledgment for the amount from the central account office in London. It was the receipt of the acknowledgment that completed the depositors' parliamentary title to repayment in full of principal and interest. This sending of an acknowledgment for each deposit was found to throw heavy work on the central account office, and it was subsequently decided to discontinue the acknowledgment for deposits under £1, which represented nearly 60 per cent.

of the whole number of deposits. By the change a substantial reduction was effected in the staff, and the correspondence was greatly lightened. At the same time it was fully explained to depositors that the security of their deposits would not be affected, the official entry in the book being in future admitted as conclusive evidence of deposits under £1 in amount, and the change was accepted by the public without demur. In 1910 the British Post Office discontinued sending acknowledgments from the Chief Office for Savings Bank deposits under £5.

Depositors both in England and in India have to give a declaration that they have no other account in the Savings Bank. In England if the declaration is found to be false all sums illegally deposited are liable to forfeiture, and this deters many from having more than one account. In India, if a depositor is found to have given a false declaration, he shall not be entitled to claim interest on the account, and the Comptroller, Post Office, may require him to close it at once.

In England when a depositor wishes to withdraw any sum, he fills up a form in which he enters the office from which the withdrawal is to be made, and posts the form to the central account office. In a day or two he will receive a warrant authorising a withdrawal. In some respects this is a very convenient method, especially for travellers, as it enables them to withdraw money at different places during a tour, and it is chiefly in respect of this facility that the Post Office Savings Bank has an advantage over the trustee savings bank. This privilege can only be maintained by having one central account office and a system of "cross entry" which has been described as the "ubiquity" of the English Post Office Savings Bank. It was ascertained (24th Report of the Postmaster-General) that more than 40 per cent. of transactions were effected at other than the original offices, and that the public fully appreciated the privilege.

In 1893 the British Post Office permitted telegraphic withdrawals, which had been allowed by several European Savings

Banks. It was held that the cause of thrift was sometimes served by interposing a delay between a sudden desire to spend and its realization, and also that it was essential to maintain a marked distinction between a bank of deposit for savings and a bank for keeping current accounts. But on the other hand it was recognised that there were cases where the immediate withdrawal of money without delay might save a depositor from debt and distress.

In India, a depositor can effect a withdrawal immediately by presenting his bank book at the office in which his account stands without waiting to receive a warrant of withdrawal by post, provided the office is a head or sub-office.

The British savings bank has some excellent rules introduced by the Savings Bank Act of 1887 (50 and 51 Vic., c. 40) as to nominations to receive money at depositor's death. These nominations have all the force of a will ; and if the rules were introduced into India, besides being a public benefit, they would relieve heads of circles of some work in adjudicating on the claims to the accounts of deceased depositors. Arrangements were also made for reducing to 1s. the cost of certificates of births, deaths and marriages required for savings bank purposes.

In 1891 the limit of the maximum deposit was raised from £150 to £200 inclusive of interest. The annual limit remained at £30, but it was provided that, irrespective of that limit, depositors might replace in the bank the amount of any one withdrawal made in the same year. The object of this provision was to avoid curtailing the saving power of a person who might be driven by emergency to make an inroad upon his capital, and who found himself afterwards able to replace the withdrawal. This rule exists in some of the European banks, but has not been introduced into India.

One of the most important aids to thrift is the School Savings Bank. *L'Union Postale*, Vol. XXII says : "Originally a French invention, it has spread through most of the civilized states of Europe, and even taken firm hold in the Western

Hemisphere. The foundation of the first School Savings Bank dates as far back as the year 1834, in which a teacher in Le Mans, Dulac by name, formed the idea of treating 'savings' by children as a subject of instruction in the parish school in which he taught."

It was long urged in England, that the limit of deposit, one shilling, was too high, and that it should be reduced to a penny with the object of making it sufficiently low to reach the poorest classes, who found it difficult to keep their pennies until a shilling is saved. The reply of the Post Office was, that the small transactions were the costly ones, and that it would be impossible to reduce the minimum. There is ample ground for this contention, as it is calculated in the French Savings Bank the average cost of each transaction is 77 cents, and in the United Kingdom about $7\frac{1}{2}d$. The difficulty, however, was overcome by a scheme which was suggested and worked out by Mr. Chetwynd, an officer of the department, and the now familiar "stamp slip deposits" was introduced in 1880. A card or slip was supplied by the Post Office, on which could be affixed penny postage stamps. When one shilling had been affixed, the slip had to be taken to the Post Office, where a deposit of one shilling would be credited in the depositor's bank book. An impetus was given to this scheme by the Free Education Act of 1891, when Government desired that advantage might be taken of the opportunity to inculcate on parents and children alike a lesson of thrift, that the pence which formerly went for school fees might be saved. School Managers were supplied with stamp slips, and were given on credit a stock of stamps to be sold to the children, and clerks from the nearest post offices attended schools to open accounts and receive deposits.

These efforts were awarded with success, and a sum of £40,000 was estimated to have been deposited in schools during the first year. In view of the fact that if persons begin to save in childhood they are more likely in after-life to become customers of bankers, the large addition which is constantly

being made to the number of children and young persons who become Savings Bank depositors, would seem to show that these banks must assist rather than retard private banking enterprise. The saving of pence proves a training to habits whereby ultimately larger sums are saved, and the virtues of industry and providence are cultivated and confirmed. Up to 1896 considerably over £1,000,000 had been deposited by means of stamps, and supposing only a penny was saved at a time this sum represents more than 240,000,000 transactions on the part of the depositors.

A writer in *St. Martins-le-Grand* referring to the Dutch Savings Bank says :—" In connection with the School Banks, it is interesting to notice that there were no fewer than 33,700 deposits of one cent. (rather less than a farthing), the minimum deposit, which is almost identical in amount with the minimum deposit received in the School Banks of Belgium. Farthing Banks are not quite unknown in England, though they are very rare, and in the interests of thrift it is to be regretted that in this respect the excellent examples of Holland and Belgium are not more generally followed."

The stamp slip scheme has not yet been introduced into India, a comparatively poor country, where its introduction seems most desirable; however, many years ago the Revd. F. E. Cameron, Chaplain of Trichinopoly, started an Anna Savings Bank, and the Madras Eurasian and Anglo-Indian Association a "Children's" Anna Bank.

The organisation of the thirty Post Office Savings Banks of the world have many features in common. For instance, in the majority of these countries the smallest deposit is 1 franc, or $1\frac{1}{4}$ francs according to the currency. In the Netherlands it is $\frac{1}{4}$ gulden or 52 centimes, in India 4 annas or 60 centimes, in Victoria six pence or 62 centimes. The regulations of most Post Office Savings Banks permit the purchase of Government Stocks for depositors. This has been in force in France since 1845, and it is claimed to have familiarised all classes with the National Securities. In no other country

in Europe has the public debt been so "democratised," and it is in consequence of this that France owes, in a great measure, the stability of her credit and the success of her loans.

The example set by Great Britain in 1861 of establishing a Postal Savings Bank was followed by other countries in the order given below :—

Belgium	...	...	...	...	1st January, 1870.
Japan	...	...	...	...	1st May, 1875.
Italy	...	...	...	...	1st January, 1876.
Roumania	...	...	...	...	5th January, 1880.
Holland	—	...	...	...	1st April, 1881.
France	...	..	...	...	1st January, 1882.
India	...	...	...	...	1st April, 1882.
Austria	...	...	...	...	12th January, 1883.
Sweden	...	...	...	...	1st January, 1884.
Hungary	...	...	...	...	1st February, 1886.
Canada	...	...	...	...	1st April, 1886.

In the United Kingdom £50 can be deposited in one year and £200 in all. Hungary comes next with a maximum of £166 13s. 4d., followed by Sweden with a maximum of £111, while in France this limit, formerly £80, is now £60 only. Holland places no limit on the amount of deposits, but pays no interest on any sum in excess of £100.

In India, Government Savings Banks were opened at the presidency towns between 1833 and 1835, and their management was subsequently transferred to the Presidency Banks in 1863-64. District Savings Banks were opened in Government Treasuries in 1870. They were necessarily confined to the head-quarters of districts, and were not convenient to the public. The working of the Savings Bank was transferred to the Post Office in 1882. The limit fixed was Rs. 3,000, and Rs. 500 as a yearly deposit. The limit of Rs. 3,000 was higher than that allowed in any other country. It was found that the Savings Bank was being used by well-to-do people, and bankers were grumbling at the absorption of floating capital, and Government desired that investments might be more widely made in Government "paper," as every rupee

deposited is a testimony of confidence in the ruling power, so the maximum limit was reduced to Rs. 2,000 and the yearly to Rs. 200.* The interest allowed was reduced from $3\frac{1}{2}$ per cent. to $3\frac{1}{8}$ in 1894.

In 1905 a distinction was made in the nature of accounts, those "at call" being allowed $3\frac{1}{8}$ per cent. interest, and those at six months' notice of withdrawal $3\frac{1}{4}$ per cent.

Of the one million and a quarter accounts open on 31st March 1908, only 6,384 was subject to six months' notice of withdrawal; and the balance due to deposits *at call* amounted to 14 crores 82 lakhs, while that subject to six months' notice of withdrawal was only 36 lakhs. The object of introducing the "six months' notice of withdrawal" accounts was never mentioned; it will be seen from the little use made of these accounts that they are practically not appreciated; they cause a great deal of extra trouble to work and audit; and it will probably not be long before this unnecessary distinction is abolished, and the former simple plan be reverted to, of treating all accounts at call as in ordinary banking.†

Two countries on the continent of Europe are noted for the use which has been made of the state organization of thrift. Belgium for the purposes to which deposits have been applied, and Austria for the facilities given to the public. In Austria the operations are not limited to post offices, but rural letter carriers are authorised to receive on their rounds deposits up to 1,000 crowns on a single deposit book. The leading principle is the freedom of the service, in the sense that deposits and withdrawals can be effected at all post offices without regard to the place at which the deposit books were issued. Also in Austria great success has attended the system of allowing a cheque book, although this cannot be classified as a true thrift institution. The Austrian Post Office commenced Savings Bank business in 1883 and a scheme was shortly afterwards added under which depositors with a balance of more than

* To be again raised to Rs. 500 from 1st January 1911.

† This is actually to be done from 1st January 1911.

100 florins (£8 6s. 8d.) were allowed to draw cheques in excess of that sum. The sum has since been reduced to 50 florins, so that any person depositing about £4 as a permanent deposit, withdrawable when closing the account but not till then, is entitled to a cheque book to draw cheques for any excess amount paid in; so that if a person at Oderberg has an account to settle at Vienna, he need simply pay in the amount to his account and draw a cheque which he sends to Vienna. This system is very popular and is found to be more convenient than postal orders, and has been introduced into Hungary, Germany and other administrations. The Post Office derives the benefit of the numerous small permanent deposits of £4 each, which Mr. Gladstone termed "good lying money." In 1884 the system was simplified by the institution of a clearing service. Cheques can be drawn payable to bearer at any post office, bills of exchange may be made payable there, and if the receiver be a depositor, the amount can be placed to his account; where both parties to a transaction are adherents of the service, any transaction becomes a simple transfer. The system has no limit of deposit and can be used by travellers to deposit to the accounts of their employers, by associations for the collection of members' subscriptions, by insurance companies for the collections of premia, for the payment of taxes, etc., as well as for ordinary business payments. A small charge in addition to stamp duty is made for cheque books, for certificates of deposit, and for commission on entries to debit. An extended postal cheque and giro service was introduced into Japan on 1st March, 1906, and is exceedingly popular.

In Switzerland the introduction of a Post Office Savings Bank is now under consideration.

In the United States of America Mr. Creswell, Postmaster-General, recommended in 1871 the establishment of a Post Office Savings Bank, and the purchase and working of the telegraphs by the Post Office. He suggested that the money required for the acquisition of the telegraph companies could

be raised by the establishment of a Postal Savings Bank. The proposal was not sanctioned by Congress. A curious fact which has militated against the establishment of a Post Office Savings Bank is that there is practically no national debt. The working of the Post Office Savings Bank was during the earlier years of the institution connected with the idea of a permanent Government debt, in which the majority of the bank funds are invested. Interest cannot be paid to depositors for funds which are not needed, and which cannot be profitably employed. It is scarcely likely that the public will deposit money unless promised a certain interest; and if no public debt exists in which the funds can be invested, Government would be in the awkward position of having to levy a tax in order to pay the interest due to investors. The problem has not yet been solved, although in other countries funds are now partly invested in municipal securities, agricultural loans, and the erection of workmen's dwellings; and the United States still remain without a Post Office Savings Bank.

In France minors constitute nearly a fourth part of the entire number of depositors, whereas in Austria eighty per cent. are young people up to the age of thirty, and in the United Kingdom more than sixty per cent. are women and children, a proof of the untenable position of those who urge that the Post Office Savings Bank interferes with the business of ordinary bankers. In the United Kingdom at the end of 1895 the accounts showed the following division of deposits :—

		Per cent.
Balances not exceeding	.. £50	36·1
Exceeding £50 and not exceeding	.. £100	24·5
„ £100 and not exceeding	.. £150	17·3
„ £150 and not exceeding	.. £200	14·8
„ £200	..	7·3
		<hr/>
		100·0
		<hr/>

In India the number of accounts held by natives represented in 1907-08, 91·24 per cent. Nearly half the depositors belong to the professional classes, and very few of the large agricultural class, probably from ignorance, makes use of the Bank. There was one account for every 237 persons, as compared with one for every 4·24 persons in the United Kingdom.

Almost every inducement has been held out to facilitate deposits. In the United Kingdom whenever a new bank office is opened a hand bill calling attention to the fact and describing the chief advantages of the Post Office Savings Bank system is distributed from house to house in the neighbourhood. Post Office clerks attend barracks and workshops on pay days to receive deposits, and also when railways are under construction on the days the gangs are paid, and sometimes at schools when pocket money is distributed. A novel experiment was made by the Ragged School Union as a first lesson in thrift. At the annual distribution of prizes 335 scholars received from the Union deposit books showing that 5s. had been placed at the credit of each in the Post Office Savings Bank. In ordinary circumstances the attendance of a depositor is required when an account is opened, but, as in this case such a requirement would have made the arrangement impossible, all the necessary preliminaries were settled in co-operation with the Secretary of the Union. There also exists an arrangement under which the amount of scholarships awarded by the Technical Education Board of the London County Council are paid into the Savings Bank accounts of the scholars. The deferred pay of soldiers leaving the army was invested on their behalf in the savings bank, but it was found that the majority of the soldiers drew out practically the whole amount at once, and the experiment was discontinued in 1901. At the request of large employers of labour, a postal official attends industrial establishments on pay days, and large numbers of workmen have thus been induced to become depositors. There are now 17 Foreign and Colonial Government Savings Banks parti-

cipating in the arrangement with the British Post Office Savings Banks made under the provisions of the Savings Bank Act, 1904, for the transfer of accounts.

Arrangements were made with the War Office enabling soldiers stationed abroad to remit money for deposit in the Post Office Savings Bank through the War Office Public Accounts, and this form of remittance continues to be highly popular.

In one case a firm awarded a bonus among their work people of £1,000 which was distributed amongst them, and entrusted to the Savings Bank. In Belgium a suggestion has been made for supplying every new-born child with a savings bank pass book. The figures relating to the savings of the masses at all the various savings banks in a country (and not only those of the Post Office) are strikingly significant as far as the United Kingdom is concerned, apparently showing that the working classes in that country are abandoning the habit of thrift. While there are only £210,000,000 in British savings banks there are nearly eight hundred millions in the German savings banks. According to an enquiry instituted by the United States Government the increase in that country's savings bank deposits last year (1908) was nearly 208 million dollars; Germany came next with 192 million dollars, and the United Kingdom seventh with only 20½ million dollars, Australia and New Zealand together beating the United Kingdom in this matter. Allowing for interest added to deposits popular savings in Great Britain are no longer increasing but actually decreasing, and for several years withdrawals from savings banks have exceeded deposits by more than two millions sterling a year.

In India much might be done in this direction, unfortunately heavy charges are incurred by the Post Office for working the savings bank, but no credit is allowed in the departmental accounts for this business. To show that when facilities are given they are taken advantage of, an experiment tried at Sibi by the Superintendent, Baluchistan Division, may be men-

tioned. At that place there is a small railway workshop where about 80 hands were employed. Permission was obtained from the District Locomotive Superintendent to allow a Post Office clerk to attend the workshop on pay days to receive deposits and open accounts. In a short time about 25 workmen had opened accounts, and the clerk had always some deposits. After the Superintendent's transfer from the division the plan was not continued by his successor and when the former re-visited the place about a year and a half afterwards only three workmen were said to have a savings bank account.

Under the Electoral Law, Savings Bank depositors, natives and inhabitants of Holland of the age of 25 years who have had to their credit in the Savings Bank at least 50 florins a year, are entitled to a vote at the elections to the Second Chamber of the States General. In 1897, 2,306 depositors claimed this franchise. Mr. Disraeli in one of his Reform Bills proposed a somewhat similar franchise for the United Kingdom but his proposal never became law.

In Japan with a population of 46,535,889, the number of individual deposits is nearly six millions. During the last decade business houses have been forced by competition to adopt many labour-saving appliances and methods and the Japanese Administration was the first to introduce the well-known card system in its Savings Bank branch by which a card is used for recording entries of deposits and withdrawals on accounts. A pass-book is given to the depositor and one card is kept in the bank as a ledger for each depositor. On the card are entered: the depositor's mark, which is put in the upper left hand corner; the number of the account; the depositor's name and address; and his occupation. The columns are ruled for the entry of deposits and withdrawals. The card is also used for the figuring of principal and the entry of the balance which is credited on any day to the depositor. It will thus be seen that this one card contains the total record and history of the depositor's account. For the effectiveness of

this method it is said that previous to its introduction 313,796 hours were spent by clerks in making entries, whereas under the card system the posting time has been reduced to 143,121 hours. In the Egyptian Post Office during 1908, the ledger system of recording was superseded by the vertical card filing system, which is said to be a most expeditious innovation and a great success.

It is found that the average value of the withdrawals is higher than the average value of deposits. This phenomenon occurs in all Savings Banks and is explained by the fact that money finds its way to the bank in small sums, but is not withdrawn until the savings have accumulated.

The withdrawals from the Savings Bank in the United Kingdom in 1907 exceeded in value the deposits by almost two and a quarter million pounds. Nevertheless, with the interest that had accrued, the total standing to the credit of depositors increased by a million and a half during the same period.

In India an abnormal number of withdrawals occurred during 1885. It was explained that they were undoubtedly due to a feeling of insecurity which prevailed for a short time during the month of March, when the prospect of a war with Russia appeared to be imminent and arrangements were being made on a large scale for sending troops to Persia. The French Post Office has an important provision for such times of difficulty (*dans les cas de force majeure*) by which, under the direction of the Conseil d'Etat, with the approval of the Cabinet, no repayment of a larger sum than 50 francs need be made at any time, while an interval of 15 days must elapse between each such payment. In consequence of the very large sums held by Government as Savings Bank balances, a panic might cause such a run on the bank as would be difficult to meet in an emergency, and the French law referred to seems a very wise provision. During the famine year 1897-98 the deposits fell by 23 per cent. and the closing balance by 3.6 per cent. In 1903-04 the depositors numbered 1 out of 286 of the total popu-

lation, against 1 out of 4½ in the United Kingdom; and the amount at credit of depositors was nearly 7 annas per head of population, against £3 9s. 1d. per head in the United Kingdom.

In the United Kingdom Savings Bank funds are invested in Treasury Securities, and for some years there was a considerable profit, as the capital collected was placed at higher interest than had to be paid to depositors, and in 1874 this profit amounted, after the payment of all expenses for management and working to the sum of £118,000. It was first a philanthropic measure as the interest on Consols was high, and the securities were hard to find. But the Savings Bank deposits grew and Consols became scarcer, and by continuing the practice Government kept the price of Consols up, and the interest on Consols low. It was this policy which enabled Lord Goschen to initiate his "conversion." If Consols are low when money is scarce, the Treasury has to sell out at a loss to pay the withdrawals. The high price of Consols, due in part to the magnitude of purchases on Savings Bank account, proved a serious embarrassment to the profitable working of the institution, which after paying its working expenses and interest to its depositors at 2½ per cent., had shown a yearly profit until 1896. Down to 1896 a sum of £1,598,767 had been paid into the Exchequer under section 14 of the Act 40 Vict. c. 13, being the excess of interest that had accrued year by year. Since 1895 there have been yearly deficits, which in four years amounted to £34,123. Although the average cost per transaction was reduced in 1907 to 5d., yet the year's working showed a loss of £86,247. A writer in *St. Martins-le-Grand* says:—"The monies invested in the Post Office Savings Bank are the national reserves of the poor—their sole shelter and support in times of national depression; and no greater calamity can happen to the nation than that it should regard with unconcern any measures which tend to weaken this reserve of national financial strength, or militate against the usefulness of an institution, which has constituted a harbour and refuge of safety for the masses in times of distress and difficulty."

Several writers have protested against a system by which the Treasury may use the savings of the poor for purposes remote from the benefit of the depositors, and the danger of putting such an enormous number of eggs into one basket has also been recognised. If the Treasury were called upon to meet a sudden run on the bank, the ensuing depreciation in Government credit might be enormous. The greatest evil of all to the minds of many is the way in which the system drains money from beneficial uses in the Provinces, and centres it in the Government Treasury chest. In Belgium, France, Italy, and Germany, the funds are used for Municipal loans, agricultural credit, the erection of workmen's dwellings ; in fact any public investment which is considered safe by the authorities. The money instead of being withdrawn from industry, is placed at its service. It is a mistake to look at the Savings Bank as a means merely of saving money, it should be the means also of increasing wealth.

As already stated, in most Savings Banks, depositors have been able to invest their savings in Government stocks, the smallest purchase in the United Kingdom being one shilling, and in India Rs. 10.

Life Insurance.—In the United Kingdom a bill was passed in 1865 to enable a person to insure his life for any sum from £20 up to £100 on Government security and also to buy a deferred annuity of not more than £50, either by one payment, or annual payments, or such small payments at such periods as may be most convenient, provided the sums be not less than two shillings. When the terms were accepted, a depositor might pay his premia wherever he pleased, instead of having always to pay them at the same place. Finally, he could pay in any sums and at any time, instead of having to pay an exact sum at a particular time. The Post Office would take charge of all sums, and apply them in accordance with a direction given once for all. The depositor had only to take care that there should be a sufficient sum to his credit when the premium became due.

The desire of the poorer classes was undoubtedly to insure for such a sum as would defray their burial expenses and to save their surviving relatives from the undesirable necessity of applying to the parish for funds.

An important feature of the tables was the cheapness of their rates, as they were lower than those of industrial insurance companies. The Post Office does not tout for business so it saves all expenses in this respect as well as in regard to collectors. Naturally, therefore, as the loading of the tables in the case of the Post Office is less, so the rates are lower than those of industrial companies.

In Belgium an annuitant is not obliged to state the amount of the annuity he wishes to purchase, at the time of paying his first premium ; he has only to state the age at which he wishes the payment of the annuity. Further, an annuitant is not bound to pay premia at regular intervals, nor need the premia be of a fixed amount, on the contrary he makes the payments at the time and of an amount that suit him best, and the central administration of the General Savings and Annuity Bank calculates the amount of the annuity to which the balance standing at credit after each payment will entitle the annuitant to receive at the age specified in the contract.

In India, Postal Life Insurance and the purchase of Annuities, started in 1884, is restricted to Government servants.

CHAPTER VII.

THE VICTORIAN ERA—(*continued*).

Postal Telegraphs.—In many countries although the telegraphs are owned by the State, they do not form a part of the Post Office, and are worked by a separate department. This is the case in India, so only a brief reference will be made to the subject. In the British Post Office the engineering branch deals with the construction and maintenance of telegraph and telephone lines, and all technical questions, but has nothing to do with the internal management of telegraph offices.

In 1865 the Edinburgh Chamber of Commerce appointed a committee to consider the service rendered by the various telegraph companies. This committee reported that the charges, *viz.*, one shilling for 20 words over a distance not exceeding 100 miles, 1s. 6d. for a similar message between 100 and 200 miles, and 2s. when exceeding 200 miles, were excessive; that delays and inaccurate signalling were frequent; and that some large towns and districts were quite unprovided with telegraph facilities. The Edinburgh Chamber proposed a uniform six-penny rate, and that the service should be transferred to the Post Office. This proposal was supported by the other Chambers of Commerce throughout the kingdom, and as the desire seemed to be general, the Post Office began to take steps to work out the scheme. The arrangements were made by Mr. Scudamore, and in 1868 the Electric Telegraph Act authorised the Postmaster-General to purchase any existing telegraph company, but did not confer a legal monopoly on the Post Office. This, however, was conferred in the following year by "an Act to alter and amend the Telegraph Act." The great transfer from the private companies to the Post Office was made in 1868-70, and was carried out with credit to the department. The unit of charge remained one shilling, but

this was made uniform throughout the country, irrespective of locality or distance. On the day of the transfer a thousand post offices and 1,900 railway stations were opened as telegraph offices. The public at once showed their appreciation of the change by the increased traffic. In 1869 the companies transmitted seven millions of messages, whereas in 1870 ten millions were sent through the Post Office.

Mr. Bains, in 1856, had proposed a scheme for the State acquiring and working the telegraphs, and in his *Forty Years at the Post Office*, has described the purchase and acquisition. He says—"But all which was planned out in 1856 has come to pass—that is, except the net revenue; but, then, mine was a scheme for spending not more than a million and a quarter on postal telegraphs, whereas, thanks mainly to hesitation in adopting some such plan, about £11,000,000 have been laid out." And further:—"The millstone around the neck of the telegraph branch is the interest payable on eleven millions of capital outlay, equal at (say) 3 per cent. to a charge of £330,000 a year." The telegraphs have been worked at a loss, and the reasons given for the unfavourable financial results are, (1) the heavy price paid for acquiring the companies' properties. (2) The privilege given to railway companies at the time of transfer of sending messages free of charge. The number of these messages at first small, subsequently reached a very large amount, so that arrangements were made regulating this privilege by limiting the number of free messages that could be sent. (3) The loss on press messages. The first rate (1868) was 1s. for 75 words by day and 100 at night and copies were charged at 2d. for 75 or 100 words accordingly. The newspapers formed News Associations to receive messages in identical terms, so as to divide the cost, and the cost became nearer 2d. than 1s., the average being 4½d. per 100 words. The loss on Press telegrams in 1907 was estimated at £225,000.

It was only in 1881 that the net returns were sufficient to meet the interest on the capital.

When the system was taken over by the Post Office the average cost of a telegram was something over 2s. This was immediately reduced to a *uniform* charge of 1s., and, before many years had passed, there was a public demand for a further reduction to 6d. The result has been that whereas the companies only carried about 6,000,000 telegrams yielding £600,000 a year, the Post Office is now carrying 90,000,000 yielding a total revenue of over £4,000,000. Large as this revenue is, the expenses are still larger, so that it is obvious that 6d. is really less than the working cost of handling an average telegram. The loss on the telegraph and telephone business in 1907 amounted to £851,876. There are now 13,000 offices in the United Kingdom from which telegrams may be despatched as compared with 3,000 in the days of the Companies.

In 1885 the charge was reduced to a half-penny a word throughout, including address, with a minimum charge of sixpence. Abbreviated addresses could be registered on payment of a guinea a year. As a part of the Jubilee concessions in 1897, the charges for portage were reduced. They were formerly 6d. per mile beyond the free postal delivery of a town or beyond one mile from an office, and 1s. a mile from the office door when the distance exceeded 3 miles and a mounted messenger was sent. These were reduced to: free delivery up to 3 miles, and beyond this distance 3d. per mile.

Much has been done to render the lines secure from damage and interruptions caused by storms, by a system of underground trunk wires.

Sir William Preece, one of the chief authorities in England, when recently addressing the Institute of Electrical Engineers, said:—"No reference whatever is made here to the *per contra*. The Press, with its ruinous rate of 2d. per 100 words, cost at one time £600,000 per annum. Messages are now delivered free. Nearly every village in the country has its telegraph. Innumerable offices are kept open all night. The railway companies have an immense free service over the whole Post

Office system. There is no capital account, and all extensions and renewals are charged to revenue. The annual income taken over was £600,000. It was for the year ending 31st March 1907, £4,369,227. The annual loss *on paper* may be one million per annum, but the above *per contra* will wipe that out and leave the most magnificent telegraph system in the world the free asset of the British public—an asset which I once valued at £30,000,000.”

There are more telegrams sent in the United Kingdom relatively to population, than in any other country, except perhaps the United States. For every 100 persons there are 181 telegrams, whereas in France there are but 108, and in Germany 66.

The first telephone exchange in London was established by a private company in 1878, and then several companies established exchanges in the United Kingdom, which became a formidable rival to the State telegraphs. The Postmaster-General considered that his monopoly had been infringed, and in 1880 the case was taken to the High Court, which ruled that “the telephone was a telegraph,” and that “the Government monopoly is not limited to the property it acquired. It extends to all improvements in telegraphic communication.” The companies were, however, allowed to continue their operations under a license and had to pay a royalty of 10 per cent. on gross receipts, and were placed under certain limitations and control.

In 1891 the last of the patents expired, and a motion was passed in the House of Commons to nationalize the telephone service. A Select Committee in 1892 recommended companies’ licenses should not be extended, and the Telegraph Act, 1892, authorised the borrowing of one million pounds for the purchase of the companies’ *trunk* lines. The fees were :—

	s.	d.
25 miles or under ...	0	3 for 3 minutes.
Over 25 miles but not exceeding 50 ...	0	6 “ “ “
“ 50 miles but not exceeding 75 ...	0	“ “ “
“ 75 miles but not exceeding 100 ...	0	“ “ “
For each 40 miles beyond ...	6	“ “ “

The transfer occupied a period of nearly 4 years. A Select Committee held on the service in 1898, reported that the trunk service worked on the toll system (*i.e.*, a separate payment for each service) was the most expensive in Europe, and the exchange service was behind the Continental standards. The Post Office opened its exchange service in London in 1902.

The last Committee, known as the Hanbury Committee, recommended that the Post Office should take up telephone "on business lines" with the view of taking over the National Company's system, at a valuation, on the expiration of their license in 1911.

As the telephone is a formidable competitor to the telegraph, it is recognized as essential towards an economical adjustment of facilities that both systems should be in one hand. The one service is a natural complement of the other, and the day may come when the telephones will play the chief part in the national system of electric communication just as the telegraph does now.

In the United Kingdom radio-telegrams are accepted at any telegraph office for transmission from various Coast Stations (both in the United Kingdom and abroad) to certain of the principal Ocean Liners and also to certain Mail Packets.

Radio-telegrams from ships are also received at such stations and are thence transmitted to their destination by wire.

India.—The term "telegraph" did not come into vogue with the use of electricity for the transmission of messages, but at an earlier date was applied to the method of signalling by semaphore of which the most notable example was the Admiralty telegraph from Portsmouth to London during the war with France. Between 1820 and 1830 the proposal was seriously entertained by the Indian Government to construct a series of semaphore towers 100 feet high and at intervals of eight miles signalling all the way from Calcutta to Bombay. The scheme never got very far, but some of these towers may be seen to this day in the Hooghly district.

In 1832 a line of semaphore posts extended for about 500 miles from Calcutta to Chunar, and it was stated that "in favourable weather" in eight minutes a return had been made through a line of 400 miles at a communication from the presidency or at the rate of a hundred miles in the minute.

In 1851 Dr. W. O'Shaughnessy, Professor of Chemistry, Calcutta Medical College, obtained sanction to construct experimental telegraph lines between Calcutta and Diamond Harbour, Bishtapur and Mayapur, and Kukrahati and Kedgeree for business chiefly connected with shipping in the Hooghly. As these experiments proved successful, Lord Dalhousie obtained sanction from the Court of Directors to construct lines from Calcutta to Bombay *via* Agra, from Agra to Peshawar, and from Bombay to Madras. These were opened for traffic in 1855, and were preceded by the Telegraph Act—Act XXXIV of 1854. The tariff was fixed at one rupee for sixteen words, including the address for 400 miles, and this was made uniform for all distances in 1882.

In India the telegraphs are owned by the State, and as already mentioned are worked by a separate department. During the Mutiny the lines in the North-West Provinces now called the United Provinces, and in parts of Central India, suffered considerable damage, about 700 miles being entirely demolished. A writer in alluding to this period says :—"The delay which led to so many disasters was due to terrible difficulties of transport. If in addition to these difficulties it had taken weeks instead of minutes to communicate between Calcutta and Bombay, it is doubtful whether the Mutiny could have been quelled at all."

There are now thirteen main trunk lines of communication. In 1885 a new Act, Act XIII, was passed, and the rates were revised the following year. Messages were divided into urgent, ordinary, and deferred. Ordinary telegrams were charged one rupee for eight words, and two annas for each additional word. Urgent messages were charged double, and deferred at half the ordinary rates. Subsequently a four

anna deferred telegram was introduced, and after four years of working no room was left for doubt that it did not pay, and that there was a loss on each message. It was felt that the general tax-payer could not in justice be called upon to pay a large subsidy each year for the maintenance of the telegraph system which is used by only four per cent. of the population, so on 1st January 1909 the triple classification was abolished and only ordinary and express messages received. Twelve words including the address are allowed for an ordinary message, at a charge of six annas ; and for an express message the charge is one rupee.

All post offices were constituted receiving offices for telegrams in 1883, and in the following year a scheme was brought into effect for utilising the Post Office in extending the operations of the Telegraph Department, and telegraph work was undertaken by the Post Office staff. Such offices were designated Combined Post and Telegraph Offices. These now greatly outnumber those purely Telegraph Offices worked solely by the Telegraph Department, and the revenue derived from combined offices exceeds that derived from departmental telegraph offices.

In 1881 licenses were granted to the Oriental Telephone Company to establish exchanges at Bombay, Madras, Calcutta, Karachi and Rangoon, and the Government has established exchanges at other places.

An installation for wireless telegraphy between Port Blair in the Andamans and Diamond Island on the Burmese Coast was opened for public messages in 1905.

In 1868 it was decided in India not to amalgamate the Post and Telegraph Departments, and after the subject was re-opened in 1906 the same result was confirmed ; and a similar decision was arrived at in Switzerland in the following year.

In the United States the telegraphs are not the property of the State, and are owned and worked by private companies. In France the posts and telegraphs were amalgamated in 1878,

which enabled the introduction of a reduced tariff of one half-penny for each word, with a minimum charge of 5*d.* —

The International Telegraph Union, with its office at Berne, performs similar functions towards the international telegraphs, that the *International* Postal Union performs towards the various postal administrations of the world.

The International Telegraph Union was founded in Paris 1865, and Conferences were held in succession, Vienna, 1868, Rome, 1871; St. Petersburg, 1875; London, 1879. The United Kingdom gave its adhesion on the acquisition of the telegraph by the State in 1870. By that time the Union comprised practically the whole of Europe, and of the extra-European countries India had already joined. The absence of the United States of America was due to the fact that in that country the telegraphs belong to private companies.

The sixth International Conference was held in Berlin in 1884, and effected a reduction in the charges to various countries, for example, the rate per word to India was reduced from 4*s.* 7*d.* to 4*s.* And the cost of repeating a message was reduced from one half to one fourth of the original charge for transmission.

The seventh Conference was held at Paris in 1890, and made further reductions in rates.

The eighth Conference was held at Budapest in 1896, and also made further reduction in rates. The most important questions discussed were:—The official vocabulary for code telegrams, the equivalent of the franc in local currency, and the German project of a uniform tariff in Europe. It was imposed on every State the fixing in its currency an equivalent to the standard gold rate. The limit of letters for one word was raised from 10 to 15, and of figures from 3 to 5. The International Bureau was directed to compile a code, which it was proposed to introduce as the recognised one for cypher messages.

The ninth Conference was held at London in 1903, and the subject that excited the most interest was the official

vocabulary for code telegrams prepared by the International Bureau. It was rejected as a compulsory standard, and the field of selection for code words was greatly enlarged by the admissions of all combinations of letters, not exceeding ten in number, capable of being pronounced.

The tenth Conference held at Lisbon in 1908 decided (1) that the test for pronouncability should be the ordinary (or current) usage of each language, and (2) that code-makers should have the privilege of submitting their codes to certain Administrations, with a view to obtain an assurance from the International Telegraph Union that the words contained in the codes comply with the regulations. A reduction in the cost of obtaining repetition in cases of error was made, and permission to use both figure and letter cypher in a single telegram, and to combine figures and letters in a single group of 5 characters when denoting commercial marks. Also a general reduction was made of the "elementary" or normal rates for European telegrams. Regulations were also made for the acceptance, wire transmission and delivery of wireless telegrams, so that the wireless telegraph installations on ships and at shore stations are now, for purposes of public communication, joined to the general telegraph and cable system in most countries of the world.

CHAPTER VIII.

THE UNIVERSAL POSTAL UNION.

ON the adoption of uniform postage by most of the postal administrations it was found that the domestic or internal correspondence not only greatly increased, but that the foreign correspondence also increased. Each country had its own internal rates and regulations, and had to form conventions with every other country with which correspondence was exchanged, and to keep a mass of intricate returns and accounts. There were many units of weight in use ; the scale of progression was variable ; as were also the charges ; and a letter which had to be sent through several countries was charged according to the different units and progressions of weight in vogue. The burden of making these conventions with each State, which had its own separate regulations, was found to be very laborious, so a conference of the leading administrations was convened in 1863 at the suggestion of the United States Post Office. It was held in Paris, and its object was " the improvement of postal communication between the principal commercial nations of the world." Among the subjects discussed was the pre-payment of foreign letters, the adoption of the metrical decimal system of weights and the principles of postal reciprocity. Although good as a preliminary effort, it was seen that further co-operation was required to consider and simplify the situation, and at the suggestion of the German Post Office, which in 1850 had concluded a treaty forming a Postal Union with Austria, a conference was held at Berne in 1874, resulting in the treaty of Berne, and the formation of the General Postal Union (" *L'Union G n rale des Postes*"). The project submitted by the German Post Office had been formulated by Herr von Stephen, who was the moving spirit at the Berne meeting and perhaps the only man present equal to the task of carrying

the scheme to a successful issue, and the eventful conclusions of the Congress are due to his leadership. The following principles were then laid down:—It was recognised that a general law had asserted itself in the exchange of international correspondence, whereby the current that flows from one country to another returns in practically the same volume. Thus, if 20 million letters are sent from England to France, about as many would be returned from France to England. So the Congress decided to adopt the principle of reciprocal compensation, which had been introduced between France and Spain in 1660 or two hundred years previously, and it consequently abolished the settling of accounts relating to letters forwarded from one country to another. This is *the* great principle which is the basis of the Union. Two other fundamental laws of the Union are, a cheap rate of postage with uniform progression of weight, and the general liberty of transit for such mails as each country might find occasion to send. Every country of the Union has to give to the mails of every other the same transit advantages as it enjoys for its own mails.

At the suggestion of M. Vinchent of the Belgium Post Office an international office was created at Berne, with an official organ called *L'Union Postale*, a trilingual paper in French, German and English. The countries of the union are divided into six classes for the purpose of defraying the expenses of the central office. Class one contributes 25 parts; class two, 20; class three, 15; class four, 10; class five, 5; and class six, 3 parts of the total expenses.

The Union constituted all countries joining it a single territory, subjecting the countries, as far as postal matters were concerned, to the operation of the same laws and regulations. It abolished frontiers and dividing barriers, and has given complete liberty of intercourse. Formerly foreign rates were very high and almost prohibitive, and foreign correspondence which had before been the indulgence of the well-to-do classes, now became the privilege of all human beings of the

civilised world. Its unique inspiration is the in peoples. The delegates of all nations elaborate la carried out over the whole surface of the globe. From the idealists' point of view the Union was acclaimed as one of the links forming a brotherhood of all the nations. Some look forward to the time when there will be free international transit, and their motto is:—*one postal territory, one code of postal regulations, one uniform postal tariff, with free conveyance between nation and nation.*

It is curious that before great ideas are realised they are generally anticipated by various persons. Two hundred years before the Congress of Berne there was a general dread of the advance of France towards a predominating sway in Europe, and Beatus Fischer strove to form at Berne a postal union, to organise and administer a network of postal routes, independently of France. The States of this Union were to be Austria, Brandenburg, Great Britain, the Netherlands, Italy, Spain and Switzerland. France was, however, too strong, and the attempt was a failure.

The next Congress was held in Paris 1878, and it was decided that any State or colony could claim admission to the Union on the assurance of its readiness to conform to the convention. This act of sagacious liberality was signalised by an alteration of name, the Union was now styled the Universal Postal Union, as being potentially and by intention universal in its scope. In order to facilitate the adhesion of distant lands, England and France, as the great sea-carriers, consented to the reduction of the sea transit rate for letters and postcards from 25f. to 15f. per kilogramme. Propositions were discussed for the exchange of money orders, parcels and insured articles.

In 1880 a special conference was assembled at Paris to consider the possibility of establishing an international parcel post as a part of the Union system. A convention was prepared which adopted 3 kilogrammes (6½lbs.) as its unit, and fixed that weight also as its maximum limit. As India

passed special foreign post arrangements under which letters could be sent to the United Kingdom, and to certain other countries in Europe and Asia, up to a maximum weight of 50 lbs., at a charge of 8 as. (1 shilling) a pound, it was deemed that the existing arrangements were more convenient to the public than those adopted by the convention, so India declined to ratify the treaty. ✓

The next Congress was held at Lisbon in 1885, and it affirmed the option of sending letters paid or unpaid, and introduced the "express" distribution of correspondence. Limited international agreements were signed by the delegates of several countries (1) for the collection of bills and drafts, and (2) for a system of certificates of identity, designed to facilitate the proceedings of travellers at foreign *postes restantes*.

The fourth Congress was held at Vienna in 1891, and it decided (1) that every country of the Union should supply the public with reply-post-cards, (2) that postage on letters posted on board a packet at sea will be pre-payable by means of stamps of the country to which the packet belongs; while for letters posted on board in a foreign port, the sender should use the stamps of the country to which the port belong, (3) provisions were made for the exchange of letters or parcels on what is variously called the "cash on delivery" or the "value-payable" system. The adoption of this arrangement was optional.

An administrative scheme, originally suggested by the Post Office of India, was brought forward by the German Post Office, and realised. This was a clearing-house scheme for the adjustment of the balances of postal accounts through the medium of the International Bureau of the Postal Union.

The fifth Congress was held at Washington 1897, and the chief subject discussed was transit charges. If the country of origin of a mail used for its conveyance the services of another country, the former had to pay for such conveyance the rates fixed by the Union Convention. Statistics of the weight of the mails were taken triennially, and payments by one ad-

the postage of 1*d.* The article may be addressed to a railway station to be called for. If it bears any other address it is posted on arrival at its proper station. There is no such arrangement in India, although it would seem suitable to a country where the number of trains is comparatively few.

Express Letters.—In 1891 a private company was formed in London to supply the public with express messengers to execute errands or deliver letters. This was found to be an infringement of the Government monopoly, and as the public appreciated the services rendered by the company, and it supplied a demand not catered for by the Post Office, the Company was licensed to continue its business, on payment of a royalty till 1903, when the Post Office started its own service of messengers. Messengers can be summoned from the post office by telephone, and arrangements can be made for the special delivery by messenger of all packets arriving by a particular mail. The sender of a packet can have it conveyed all the way by express messenger, or may direct that after conveyance by ordinary post to the office of delivery, it shall then be delivered by express messenger. The fees in addition to ordinary postage were 2*d.* for the first mile, 3*d.* for the second, and 1*s.* a mile additional when the distance exceeded 2 miles, and there was no public conveyance. The present rate is 3*d.* for each mile conveyed by special messenger. The express service has been extended to the foreign post. Express letters arriving by a foreign mail too late for delivery on Saturday night, or on Sunday, would be delivered on a Sunday, although there is no delivery of ordinary letters in London on that day. Many express letters are sent to medical men, solicitors, bankers, and stock brokers ; but, as a class, editors of evening newspapers receive by far the largest number.

Returned articles.—In the United Kingdom, articles sent by what is termed the half-penny post are destroyed if they cannot be delivered ; but the sender may have such returned if he writes a request to that effect on the outside, together with his name and address. The article is then returned direct

without passing through the Returned Letter Office. In such a case a second postage is charged on its return. If similar rules were introduced in India, the Dead Letter Offices would be relieved of a considerable amount of work.

Imperial Penny Post.—In 1897 advantage was taken of the presence in England of representatives from the principal British colonies, to hold an Imperial Postal Conference in London, and the Postmaster-General who presided, was authorised by Government to announce that on Christmas Day 1898 an imperial penny post would be established with such colonies as agreed to reciprocate. The new rates 1d. for $\frac{1}{2}$ oz. had long been advocated by Mr. Henniker Heaton, and were adopted by India, and most of the British colonies except Australia. At the same Conference it was proposed to lower and simplify the parcel rates to British possessions by the introduction of what was termed the triple scale for parcels sent by sea, of 1s. up to 3lbs, 2s. from 3 to 7 ; and 3s. from 7 to 11lbs. This was adopted by many of the colonies.

Free Delivery in remote districts.—It has recently been recognised in the United Kingdom that one object of a State post is, by means of uniform rates, to supply remote places even at a considerable loss with ample facilities of communication, any such loss being redressed by the profit made in populous places. The former Treasury regulations were relaxed in 1892 with the result that 155,000 letters a week were brought into the free delivery. Financial considerations have now been entirely disregarded for the benefit of these letters and the cost of their delivery alone excluding sorting, carriage, cost of post office buildings, etc., greatly exceeds the whole revenue derived from them. The experience of the United States Post Office in extending rural free delivery is that the revenue in rural districts increases five-fold which is attributed to the facilities afforded. The value of farm lands increased, that of isolated farms having been enhanced in value at least five per cent. in the older-settled states, and in more remote states and territories, where postal facilities had heretofore

been few and far between, the increase in value has been much greater. The assertion that if farmers were brought into close touch with the markets, they would obtain better prices for their products likewise proved to be true. Lastly, the claim that all these material advantages would be equalled, if not surpassed by the social and educational benefits conferred in relieving the monotony of rural life, by bringing city and country into close connection is claimed to have been fully justified.

In India the rules regarding the establishment of rural services are practically what existed in the United Kingdom previous to the relaxation of the Treasury regulations—all such services must be self-supporting.

Delivery.—Delivery is facilitated by street nomenclature and the numbering of houses. In India superintendents and independent postmasters should endeavour to get municipalities to name the streets and number the houses. Odd numbers should be on one side of the street and even numbers on the other, as this is better than a consecutive numbering, since it enables a person to know at once on which side of a street a particular house is situated. The present postal law in the United States of America limits the establishment of a city delivery service to communities having a population of at least 10,000, or with post offices producing a gross revenue of 10,000 dollars.

The extraordinary increase during the past few years in the street traffic in Berlin has directed the attention of the authorities to the question of avoiding this congestion, more especially in the centre of the town. A plan is being carried out of connecting the general post office with the various branch offices at the railway termini by the construction of a small underground electric railway, by means of which the more rapid despatch of the mail bags to and from the trains will be effected at a speed of about 25 miles an hour.

During Christmas in England four letters are posted for one at an ordinary period, and this increase, although the

staff is augmented, causes considerable congestion. In order to keep important letters from bankers, merchants, etc., unmixed with the mass of Christmas correspondence, and thus ensure their due despatch, arrangements are made for such letters to be specially collected or handed in over the counter at the London General Post Office or at the Lombard Street branch office. During Christmas 1890 altogether 80,000 important letters were thus saved the risk of delay, and satisfaction was given to City bankers and merchants. The best means for reducing the time occupied in the delivery of letters is to get each householder or firm to affix a private letter-box in the door of the premises. The postman has not then to wait until a servant is called.

Postmen are the means by which the letters are delivered, and the number they can deliver varies greatly according to circumstances and the length and density of the beat from 80 to 5,000. In London during five days of Christmas ten million of articles are dealt with each day, and the greatest number delivered by one postman in a single round was over 5,000. This, of course, is exceptional, as in London each postman delivers on an average 494 letters a day. *Bain* in his *Forty Years at the Post Office* says (Volume 1, page 20), "Now, the weekly walk of a rural postman, including a Sunday in turn, is on the average 94 single miles. His wages, counting the value of clothing, medical attendance, and Sunday pay, range from £1 to 22s. a week. Strike pay raises the maximum to 25s. a week, which amount (although wages are now calculated rather by time than distance) is equal to 3d. for each mile walked by the postman or threefold the pay of the thirties." In the United Kingdom the maximum walk is 18 miles a day, and the average about 16, and there is complete rest on alternate Sundays. Lord Tweedmouth's Committee recommended that the burden carried by postmen should not exceed 35lbs., and that by rural postmen 28lbs.

In France, the maximum walk of a rural postman is 32 kilometres, or about 20 miles, but this limit is occasionally

exceeded. In 1890 there were 10,428 walks of over $17\frac{1}{2}$ miles, 7,038 between $15\frac{1}{2}$ and $17\frac{1}{2}$, 4,730 between $15\frac{1}{2}$ and $12\frac{1}{2}$, 1,380 between 10 and $12\frac{1}{2}$ and only 328 of less than 10 miles. The scale of pay is calculated at $7\frac{1}{2}$ centimes a kilometre, or a little more than a half-penny for every mile walked. In Germany the beats of rural messengers vary from $12\frac{1}{2}$ to $18\frac{3}{4}$ miles daily.

Since 1891 in the United Kingdom, in order to encourage enlistment and reward service in either arm, navy and army pensioners have been given one half of the vacancies which occur in the classes of postmen, porters and labourers, the other half being reserved for persons already in the employment of the Department.

In the United Kingdom, letter carriers appear to be peculiarly liable to be attacked by savage dogs, and it is not known whether it is owing to being rendered conspicuous by their red uniform, or that their duty takes them into portions of premises not much frequented by other persons. In one town 20 per cent. of the postmen were bitten during the year.

And in the United Kingdom another curious fact is that some postmen are unwilling to receive promotion to sorters, as this entails the loss of the Christmas box, averaging more than £8 a year, and in some walks exceeding even £20.

* The object for which a badge was introduced is explained in the following Post Office Notice, dated 15th June, 1728,—
“It is ordered by the Postmaster-General that every letter carrier whose walk is within London, Westminster, or Southwark, shall, as a badge of his employment, wear a brass ticket upon some (the most visible) part of his clothing, with the King’s Arms upon it, which ticket he is always to wear whilst he is upon duty. And all persons who shall discover any Letter Carrier, Porter, or other person whatsoever, delivering letters which should have passed through the General Post Office, without such Badge or Ticket upon the most visible

part of their clothing are desired to give information thereof to the Postmaster-General, that the offenders may be prosecuted according to law and for such information they shall meet with all fitting encouragement."

Letter carriers were first put into uniform by the British Post Office in 1792, and the reason is explained by Mr. Joyce. "Nor can it be denied that, so long as there was no distinctive dress, letter carriers in want of holiday were a little apt to take one without permission, supplying their place by persons of whose character they knew little or nothing. It was in order to check irregularity of this kind and as a means of protection to themselves and the public that uniform was now introduced."

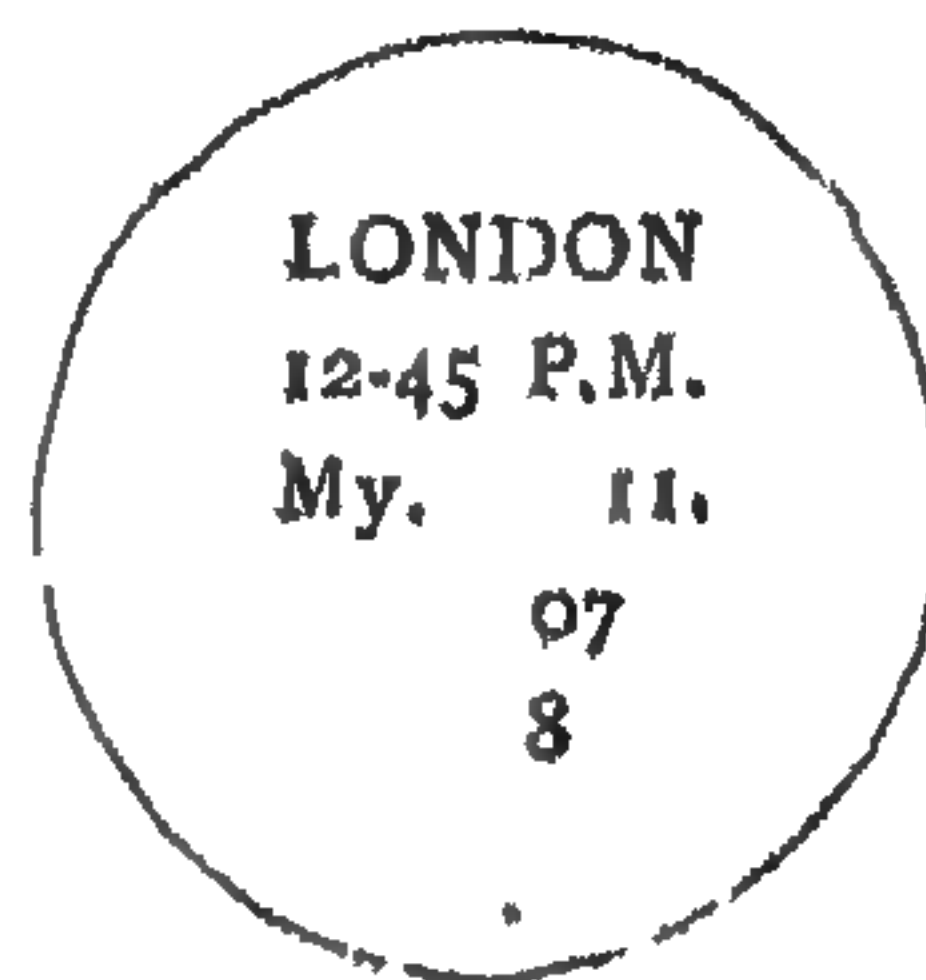
Sorting.—The chief object of the Department has been described as the prompt and rapid disposal of letters, and one of the most important functions on which the prompt disposal depends, is correct sorting. Fortunately sorting does not require any very special intelligence in the sorter; he should have a good memory so as to thoroughly know his sorting list by heart, and should show a certain dexterity in its practical application. This is recognised in the British Post Office by allowing primary sorting to be one of the duties of postmen, who are encouraged to make themselves proficient in sorting so as to be promoted and receive higher pay as sorters.

The actual preparation of a sorting list is done by a special branch, and requires a thorough knowledge of connections and mail routes, and when these are many, the correct preparation of the list becomes intricate. In order to simplify sorting lists, and reduce the number of bags to be made up, a system of sorted bundles is often resorted to.

It is necessary to prescribe for what places sorted bundles should be prepared. Slips are tied to each bundle, and the following is a sample of the slip used by the British Post Office.

Nth. Western T. F. O.
Mid-day Mail
1st Div.

Date stamp.



The correspondence in this bundle should be dealt with separately, and in case any missent letters or newspapers be found in it, care should be taken to send this label with the report.

Bundle made up by.....
For despatch at *on*.....

In a report on the working of the French Post Office, issued over thirty years ago, it was stated that the missorted letters in the ten postal arrondissements of Paris, were in the proportion of six per cent. This would be a high rate of mis-sending for a modern sorter, who should have little chance of employment now unless he could do more accurate work. In some tests made by the United States Post Office, in 1896, in which 22, 159, 757, articles were handled, of these, 21, 722, 913, or 98.03 per cent. were correctly distributed; and in another part of the report regarding tests made in the Railway Mail Service, it is said: "But one error was made for each 9,843 pieces distributed, as against one in every 2,834 in the fiscal year 1890, one in every 8,894 last year."

On the 11th May 1907, I was accorded the privilege of travelling in the sorting van of the mid-day mail from Euston to Crewe. Four men disposed of about 8,000 letters, 100 registered letters, and 3 to 4 thousand newspapers between 1-30 and five P.M., or in about 3½ hours. I observed one man sort 50 letters, and another 57, during a minute.

Postage Stamps.—A post paid envelope was in common use in Paris in the year 1653. Stamped postal letter paper (*carta postale bollata*) was issued by the Sardinian Post Office in 1818, and stamped postal envelopes from 1820 to 1836.

Stamped wrappers for newspapers were made experimentally in London by Mr. Charles Whiting under the name of "go frees" in 1830.

Stamps printed from type and made adhesive by a wash of gum, were made experimentally by Mr. Chalmers in his printing-office at Dundee in 1834.

In his pamphlet on *Post Office Reform*, Mr. Hill advocated the use of stamped covers and adhesive labels for the collection of postage, and in 1837 he brought the adhesive label to the notice of the commissioners of post office enquiry. Mulready's allegorical cover was introduced on 1st May 1840, and was rejected by the public, although stamped paper met with its advocates in the mercantile and legal world, and on account of the body of the letter being in the case of envelopes separate from the address, and there being no proof of the letter having been written to the person professing to receive it, it was made a point of legal consequence that nothing but a sheet of paper shall be used.

Cheapness and security against forgery were two chief points, and these were overcome by the skill and ingenuity of Mr. Edwin Hill of the stamp-office and Mr. Perkins, an engraver. The Queen's head was first engraved on a single matrix, the effigy being encompassed with lines too fine for any but the most delicate machinery to engrave. The matrix was hardened, and employed to produce counterparts on a steel plate capable of working off at each impression 240 stamps.

Messrs. De la Rue & Co. were given the contract. The cost manufacture of a million being :—

			£	s.	d.
Paper	...	...	5	14	5
Printing and gumming	...	...	22	■	9
Perforating	...	...	1	■	■
Salaries	...	...	0	16	■
			30	0	11
add					
Poundage and commission on the sale	...	...	45	2	4
		Total	75	3	3

To Messrs. Dickenson & Longman was given in 1840 the first contract for the ordinary stamped envelopes. The average cost of a million was £376, of which sum £359-6s. was repaid by its sale, over and above the value of the stamp, leaving a nett deduction from the aggregate value of £16-14s. (as compared a nett deduction from the aggregate value of £16-1s. (as compared with £75-3s-3d. in the case of adhesive labels). This difference £58-9s-3d. of the deduction from postal revenue accruing from the nett produce of stamped envelopes and adhesive labels forms a large item when the supplies are thousands of millions. .

The Government purchased Archer's patent for perforation in 1858 for £4,000, and stamps were then issued perforated.

By 1855 most of the administrations in Europe had adopted the use of postage labels.

Line-engraved stamps which are produced by engraving *en creux*, were superseded by typography and surface printing. These latter have several advantages over those first invented. They are more easily fixed to letters. The cancellation of them is more sure because they are printed with vegetable inks ; and they are more economical, to the extent, it is said, of £10,000 a year.

In October, 1907, the colour of the 1½d. embossed postage stamp was changed from yellow to purple, as some difficulty had been experienced in distinguishing the yellow stamps in artificial light. When post-cards were first introduced into the United Kingdom, they were sold at their face value, and it was only on the representation of a deputation of stationers that the price of the card was charged for. The cost of printing post-cards is £234 a million.

The forgery of stamps for the purpose of defrauding the revenue is not only a dangerous but also an extremely unprofitable business, and this not on account of any difficulty in producing a passable imitation of a stamp, but from the very much greater difficulty of putting the imitations in circulation in sufficient quantity* to pay expenses.

As already stated in a previous chapter the British Post Office introduced postage stamps in 1840; and this example was followed by Brazil in 1843, by Switzerland in 1844, by Finland in 1845, by the United States in 1846, by Russia in 1848, by France, Belgium and Bavaria in 1849, by Austria, Prussia and Saxony in 1850, and later by all other postal administrations.

Post-marking.—The old hand stamp which is used in all the smaller offices, requires two distinct operations for each post-mark,—one to ink the stamp, and the other to make the impression. From 80 to 90 letters can be stamped with it in a minute. The next advance was a self-inking machine by which a little over 100 could be stamped. This, the Daguin machine was used by France, Belgium, Austria, Sweden, and Chili. Then, Hoster's quick stamping machine was adopted by Italy and Belgium. Then, the American electric machines became popular wherever electric power was available, as from 500 to 1,000 articles could be post-marked in a minute. The Barr-Type could stamp 40,000 articles an hour. Lately the German Post Office has been trying experiments with 42 American machines, 38 Bickerdike and 4 Columbia, and it is now giving preference to the machines invented by the Norwegian Krag, which are made by the firm of Schuchardt and Schutte in Berlin. Three kinds of Krag machines are in the market, the electric, foot, and hand machines, so that they may also be used at post offices where electric current is not to be had, or where electric machines would be too expensive for limited traffic. The Krag-electric stamps 900 letters, 1,000 post-cards or 600 mixed articles a minute; the foot machine 500 to 600; and a little less with a hand machine. A Bickerdike stamps 125, and a Columbia 600.

In 1907 the New Zealand Post Office possessed nine motor-power, two foot power, and five hand power post-marking machines, and it was estimated that their use saved the department the cost of from seventeen to twenty officers who would otherwise be employed in hand stamping.

Errors.—It is a rule of the British Post Office that a report has to be made of every irregularity by the subordinate to his immediate superior, and in the Indian Post Office every error has to be recorded in the Error Book maintained for this purpose.

All human operations are liable to error, and it is even said that all machines have their co-efficient of mendacity. In taking notice of errors it is essential to discriminate whether the irregularity consists of a disregard of a rule or a blunder resulting from such disregard, or whether it was unwittingly committed in an honest endeavour to perform good work.

As the public place so great a dependence on the Post Office, and integrity and trustworthiness are essential for the discharge of official duties, no one not possessing these qualities is a fit person to be retained in the service.

Pigeon and balloon posts.—During the Franco-German War of 1870-71 the French Post Office successfully worked a pigeon and balloon post. The communications were printed in ordinary type and micro-photographed on to thin films of collodion. Each pellicle measured less than 2 inches by 1, and the reproduction of sixteen folio pages of type contained about 3,000 private letters. These pellicles were so light that 50,000 despatches, weighing less than 1 gramme, were regarded as the weight for one pigeon. The films were rolled up tightly and placed in a small quill, which was attached to one of the tail feathers of the bird. In the Seventeenth Report of the Postmaster-General, it is stated that the English Post Office received letters for Paris to be sent by pigeon post, *via* Tours. The conditions being :—(1) no information concerning the war to be given, (2) the number of words not to exceed twenty, (3) that the letters were presented open. The rate was 5*d.* a word, and a registration fee of 6*d.*, pre-payment being compulsory. At this rate the postage on the 200 letters on each folio was £40, so that on the eighteen pellicles of sixteen folios each, carried by one pigeon was £11,520. Each despatch was repeated until acknowledged by balloon post. M. Durnouf

established a balloon service, and out of 64 ascents, 57 were successful, 5 balloons were captured, and 2 lost at sea. More than $8\frac{1}{2}$ tons of mail matter, including over 3,000,000 articles and 91 passengers were conveyed by this service. The balloons had a capacity of 70,000 c. f., which is 20,000 c. f. in excess of the capacity required by the present day international competition rules to carry four persons and ballast. The postal charges of 20 centimes for every 4 grammes of weight were sufficient to pay the whole cost of the balloon.

Army or field offices.—The earliest field arrangements were by Johann Baptista von Taxis, who organised about 1535 for the Emperor Charles V field post offices with the Imperial armies in Italy, and with those fighting with the Turks.

During the Crimean War army post offices were established in the field, and this was also the case in the South African War, but the English Army Post Office Corps was first established in 1882. This Corps consists of selected sorters and postmen, who are trained members of the Post Office Rifle Volunteer Regiment, with officers of that regiment as Army Postmaster and Assistant Postmasters, all being enrolled in the first class Army Reserve. The Corps served with the Army in Egypt, and another detachment was again sent out with the expedition to Suakin in 1884.

* During the Franco-Prussian War of 1870-71 there were delivered through the North German field post $89\frac{1}{2}$ millions of letters, $2\frac{1}{2}$ millions of newspapers, 180 millions of marks in money, and 2 millions of parcels.

The field post office arrangements in India are described in the chapter on the Post Office of India.

Infection communicated by letters.—In 1884 when Europe was very excited regarding the spread of cholera from Egypt, all mails from Asia to Europe had to undergo disinfection. Each article was perforated by sharp instruments, and then exposed for some time to a disinfectant. The fumigation of letters merely resulted in the destruction of photographs and the damage of delicate articles. This is a case in which practical

experience is more valuable than the theory of all the doctors who drew up the Convention. It is well known in India, that neither cholera nor plague can be communicated by letters, or our sorters would have been those specially to suffer where cholera or plague were raging, but this is not the case. From an experience of 32 years in the Post Office of India I have only heard of one case in which infection was communicated by a letter, and this occurred in England. It was a case of "accidental small-pox" in which a patient at the West Bromwich Small-pox Hospital "unfortunately sent the germs of the disease in a letter to her sister." At last, the International Sanitary Conference held at Dresden in 1893 decided that all quarantine or disinfections of postal articles—with the exceptions of parcels—was of no value and consequently superfluous.

CHAPTER X.

MISCELLANEOUS SUBJECTS (CONTINUED).

Foot lines.—In India runners on the principal letter mail lines are required to proceed at a speed of five miles an hour with a maximum weight of 15 seers (30lbs.). Their stages are about five miles apart, and they do a double stage, that is, five miles out, and then five miles back with the return mail to their original stage. They thus have practically about two hours work a day. On parcel lines the speed is only three miles an hour, but the weight to be carried is 30 seers (60lbs.).

A mathematician would say that to carry 60lbs. for ten miles is equal to 250 foot-tons of energy, and that a man's ordinary work is equal to about 300, so that the work demanded is decidedly light. The standard load of a *coolie* in India, travelling an ordinary pace of 14 miles a day is about 60lbs., but in Nepal a *coolie* can carry 160lbs. across mountainous country.

Runners are supplied with spears, consisting of a bamboo shaft, with a metal spear head, to the base of which bells are attached. The mail bags are tied to the staff, which is carried over the shoulder. The spear head is for self-defence, but when the post was in its infancy the bells were adopted as a concession to the superstition of the people, who believed that the bells would charm away evil spirits and wild animals.

In Japan runners maintain a speed of eight or nine miles an hour, and their stages are from seven to ten miles apart.

The Swiss Post Office prohibits the transmission by post of articles of over 50 kilograms in weight for places served exclusively by foot messengers or mule services, whereas the rules in India allow the public to send a book-packet far in excess of the weight that can be carried by a runner. The following is an account given by G. Whyte-Melville, of the training of Chinese runners. "We think we know a great

deal in England of athletics, pedestrianism, and the art of training in general. It may astonish us to learn how a Chinese postman gets himself into condition for the work he has to do. The Celestials, it would appear, like meaner mortals, are extremely particular, not to say fidgety, about the due transmission of their correspondence. Over that vast empire extend postal arrangements, conducted, I believe, as in our country, by some mandarin of high rank, remarkable for their regularity and efficiency. The letters travel at a uniform rate of more than seven English miles an hour; and as they are conveyed by runners on foot, often through thinly populated districts in which it is impossible to establish frequent relays, the pedestrian capabilities of these postmen are of the greatest importance. This is how a Chinaman prepares himself to accomplish his thirty miles in less than four hours.

He has a quantity of bags constructed which he disposes over his whole person like Queen Mab's pouches—"Arms, legs, back, shoulders, sides and shins." Into these he dribbles handfuls of flour before he starts for walking exercise, increasing the quantity little by little every day till the bags are quite full, and carries clinging to every part of his body several pounds of dead weight, nor considers himself fit for his situation till he can move under it with the freedom and elasticity of a naked man. He will then tell you that, on throwing off his self-imposed burden, he finds all his muscles so invigorated by their own separate labours, his strength so stimulated, his wind so clear, his condition so perfect, that he shoots away over the planes, mountains and tea-gardens of the Flowery Land less like John Chinaman with a letter bag than an arrow from a bow. . . . I doubt if the Chinaman's theory of training be founded on sound principles."

Coaches and mail carts.—The mail coach period has been mentioned in a previous chapter, so it only remains to give a few details as to the working of the coaches, and these are chiefly taken from Mr. Banes' two works:—*On the Track of the Mail Coach* and *Forty years at the Post Office*. He says—

"It was in 1837 that the coaches attained the zenith of their success, and it was then also, that their splendour began to decline"..... "In sixty years mail coaches were born, attained perfection, and, alas ! perished."

The mileage rates were very various as low as a half-penny per mile (indeed, the Liverpool and Manchester coach took the mails for nothing ; the railway, however, had been some years at work between the two cities) and as high as 11½d. for the Carmarthen and 'Pembroke coach, or even 1s. 3¾d. for the London and Dover (foreign mail) coach.

In the report of the Postmaster-General, United States, for 1896, it is stated that the regulation and screen wagon service costs 16.50 cents per mile travelled.

A parcel coach of the present day is capable of carrying a ton of parcels, weighs a ton itself, and is about three hundred weight heavier than a model coach of the thirties. The speed varied on different lines. The day mail to Birmingham, *via* Barnet ran at a speed of 10 miles 1 furlong per hour for the small payment of one penny per double mile. The Greyhound another coach which passed through Barnet performed also a special trip from London to Shrewsbury (1838) at the rate of 12 miles an hour. It was found by experience that, in order to keep up an average speed of 9½ miles an hour from end to end, it was necessary to run at the rate of 10 between the stages.

A mail coach weighed between 17 and 18 cwt. cost £140, and could carry 1,680lbs. of mail matter. Its life was only five or six years. A good line needed an establishment of a horse per mile, which cost for maintenance a guinea; sundries 4s., total 25s. per week. Eight miles an hour and 14 miles a day was considered as the amount of work proper (with occasional rests) for keeping a sound, well-bred, well-fed coach-horse in good health. It was necessary to change one-third of the stock every year, or, in other words, a mail coach horse remained fit for work not more than three years.

For coachmen a drive of 70 miles a day was deemed sufficient. Once Captain Barclay drove the Edinburgh mail, all the way down from London, 400 miles, without a break. The late Mr. Raikes attached much importance to the guards of the modern parcel mail coaches being efficiently armed, and each guard was not only properly instructed in the use of firearms, but was so equipped as to be a formidable adversary in case of attack, even when cartridges failed.

For coaches that ran at night proper lighting was essential. Quick coaches had five lamps, one had even six, *i.e.*, a tail lamp as well as five front lights. Unless well lighted they could not keep time. Six lamps cost £47-8s. a year for oil alone. The present night parcel coach surpasses the old time coach not only in the number, but also in the power, of its lamps. Five light the outside front—two being 9½ inch cone and three 7 inch cone lamps; two more lamps light the inside, and are fixed with reflectors, so that they may be seen from without. The guard carries a hand lamp. Thus eight lamps in all.

Reference has already been made to the passenger and mail carts line of India.

In the Annual Report for the year 1866-67, it is stated that an epidemic had appeared among the horses on the Nagpore-Jubbulpore and Indore-Agra lines, and 921 horses died in a month or so. The Kalka-Simla tonga service is the most efficient and best worked line in India, and for some years has successfully competed in speed and reliability with the railway. In 1908 the cost of the tonga service per mile was stated to be 7a. 6p. (about 9½d.) At Lahore the mail vans, for the carriage of mails between the railway station and the post office, and for the conveyance of postmen to their beats, are horsed by contract. The horses do about 7½ miles a day, and the amount paid to the contractors in 1908 was about 2a. 7p. (3d.) a mile per horse. This does not include the capital cost of the stables, vans, and harness, and their repair.

Bicycles & Tricycles.—Bicycles are useful where the roads are good for the clearance of a number of scattered letter-boxes. The result of experiments in India was summed up in the report for 1899-1900 which is to the effect, that though not suitable for the transport of mails over lines of any length in the interior of the country, bicycles affords an efficient and economical means of conveyance in urban or suburban areas where roads are good, and the means are at hand for repairing the machines when necessary.

In a report of the Dutch Post Office it is said that the system of supplying mail carriers with tricycles for the purpose of enabling them to convey heavier mails, which was started in 1889 by way of experiment, was discontinued, the administration having arrived at the conclusion that the constant and expensive repairs required by these machines rendered the final adoption of the plan undesirable for financial reasons.

In London, tricycles, with specially arranged bodies, were used for a time for the suburban parcel post system, but journeys of from 8 to 10 miles out and in, with a load of 1 cwt. of parcels, through frost and rain proved too fatiguing for the riders, particularly when the roads were heavy in the winter, and the tricycles had to be abandoned.

In the United Kingdom it is said that a bicycle with a trailer, is, as a general rule, found more suitable for rural posts than a tricycle carrier, inasmuch as it is often possible for a postman to leave a trailer behind at some point of the journey (to be picked up on his return) and complete his delivery with the bicycle only.

Motor Services.—According to trials made in England where only two services with motor cars were classified as entirely satisfactory, the cost of every mile run by the cars was 1s. in one case and in the other, 1s. 3d. The maximum load in each case was one ton. It must be taken into consideration that these cars run over the best roads, and that one covered only 36 miles a day at a speed of nine miles an hour, and the

other $31\frac{1}{4}$ miles a day at 10 miles an hour. In the 51st report of the Postmaster-General it is said that the employment of motor vans has in many cases resulted in an acceleration of the service ; and where the loads are heavy and the distances considerable, in a substantial economy. And in his fifty-sixth report the Postmaster-General says that further progress has been made in the use of motor vans for the conveyance of mails, and there has been a steady improvement in the working. The total number of services, or sets of services now performed by motor mail vans is about 60.

In discussing services for South Africa it was reported that the introduction of motor car services on the roads, six in number, most suitable for such a service, would involve an additional annual expense of £7,540. The administration did not think that any very considerable sum could be counted on by the conveyance of passengers, as on most routes the weight and bulk of mails to be conveyed on certain days would render passenger accommodation impossible. The motor mail service between Mafeking, Potchefstroom and Zeerust turned out a failure, and a similar service run by the post-contractor between Aberdeen Road and Aberdeen in Cape Colony, proved too costly and unreliable.

In a report on the Swiss post office it is said, that a fourth motor car was brought to increase the regularity of the service on the two experimental motor car lines served from Berne. Although the motor cars are very much taken advantage of by the public, the financial results of this undertaking are rather unfavourable on account of the exceptionally heavy cost of working. As in the previous year, three motor cars were used in Zurich for the transport of the mails. The execution of the service was satisfactory, but here also it was found that motor cars are much more expensive than horse cars. The cost of the motor car services was such that the administration was considering either their suppression or the restriction of these services in Berne and Zurich. During the year three horse services had to be substituted for motor

services, the private enterprise carrying on the mail motor service having failed.

As French cars have gained a reputation for superiority and reliability over those of any other country, it is interesting to note the result of experiments made by the French Post Office. The light motor car services in Paris seem to have been a success, but they were more costly than horse services. It is said that mechanical traction costs 15 centimes ($1\frac{1}{2}d.$) more per kilometre ($1093\frac{1}{2}$ yards) than horse traction, but it should be remembered that in this 15 centimes is included the cost of provision and maintenance of motor cars, and the writing off of the capital outlay. The chief advantage accruing from the motor services, was the speed with its average of 18 kilometre ($11\frac{1}{4}$ miles) an hour as against 12 kilometre ($7\frac{1}{2}$ miles) of the mail cart service. It cost the French administration on an average 13 centimes ($1\frac{1}{4}d.$) per kilometre ($1093\frac{1}{2}$ yards) for the conveyance of road-borne mails by horse service, whereas the contractors for a motor car service on 18 different routes asked from 12 to 107 centimes per kilometre, which on an average works out at 39.2 centimes ($3\frac{3}{4}d.$)

Steamboat Services.—The overland mail route is described in a subsequent chapter. It has been the object of the Post Office whenever inviting tenders for a steamer service, to let the mails be conveyed, as far as practicable, along the usual channels of trade, so as to avoid the expense which must be incurred by any unnecessary departure, whether as regards the course or the rate of sailing, from the arrangements which would be adopted for freight and passengers only. With this view tenders are framed as to allow many modifications of the plan which the Post Office might prefer, and to bring out clearly the cost of each part of every service so that this cost might be compared with the benefit. For example, when a desire was expressed for the steamers between the United Kingdom and South Africa, which touch at the islands of St. Helena and Ascension on the homeward passage only, to call on the outward passage also, an arrangement which might naturally

be supposed would not be attended with much additional expense, it was found that the cost would add £8,000 a year to the subsidy, or more than a third of the whole sum demanded. Owing to prevailing unfavourable winds, this would have been the cost of an apparently small deviation from the natural course of trade.

The Germans and American mails by the German and Inman lines are conveyed for 1s. 8d. per pound, or about $\frac{1}{2}$ d. a letter, whereas the British Post Offices pay the English line across the Atlantic 3s. a pound or about 1d. per letter.

In a steamer service, regularity and punctuality are two essential elements of efficiency, not an embarrassing earliness one mail, and an exasperating lateness the next.

Railway Mail Service.—On the introduction of railways it was seen that the number of bags must either be enormously increased, and other complications arise, or the railways could not to any extent be rendered available for Post Office purposes. Just at this juncture it was suggested that the sorting might be done during the journey, and the obstacles were soon surmounted. The cars at present in use are of a very superior pattern to those first employed, and have much better lighting arrangements. In the United States, promising experiments are being made with steel cars, and the Postmaster-General reports that one of these cars passed through a wreck, and the clerks escaped with very slight injuries. He adds that, notwithstanding the fact that the test of all-steel cars thus far has been satisfactory, the experimental tests, however, have not been sufficiently broad or long continued under varying conditions to justify the administration in saying that they should displace the present construction of cars built of steel and wood combined.

Picking up mails by special apparatus was adopted on the East Indian Railway in 1890. In the United Kingdom the weight of a single pouch, including the bags which it protects, must not exceed fifty pounds when despatched from a road side standard, or sixty pounds when despatched from a

carriage arm. Parcels are also sorted in the train, but the exchanging apparatus cannot be brought in to play. The weight to be flung out and taken in would smash every known contrivance to pieces.

Once, in an emergency, Sir Rowland Hill hit on the expedient of directing that certain classes of correspondence for the metropolis from towns, north of London, should be forwarded by *down* mail train, to be sorted in the course of the journey, and brought eventually to London by *up* mail train.* This plan is now followed, in principle, in a variety of cases, to the advantage of the service and the acceleration of the correspondence dealt with.

In 1838 the speed of the mail train was a gentle twenty miles an hour, but now the speed of expresses is nearly sixty miles an hour. Even in 1846 the Great Western Railway ran the broad gauge express from Didcot to Paddington, 53 miles, in less than an hour. The Post Office special leaving Euston on April 19th, 1894, was 448 feet, 5 inches long, from the front buffers of the engine to the tail lamp of the hindmost van. It trailed none but post office vehicles, and carried none but official passengers.

The accidents on American railways seem to be frequent, for out of a total number of 12,474 persons employed in the United States railway mail service, one in 24 met with an accident while on duty, and the administration grants clerks, injured on duty, leave of absence not exceeding one year on full pay to recover their health.

Excepting risks of accidents, Dr. Lewis, the medical officer of the British Post Office, is of opinion that, on the strong and healthy, railway travelling, if the amount be not excessive, and if the travellers take moderate care of themselves, produces little or no injurious effect; and he points to the sanitary statistics in confirmation of this view, the sickness and mortality having been about the same among the officers employed on the railway as among other officers.

In the United States the railway mail service was inaugurated in 1864, and re-organised in 1874, and was one of the first exponents of a permanent civil service in that country, the appointments depending upon fitness for work, and removal being only for misconduct. It may be stated that most of the appointments in the civil departments in the United States are considered the spoils of party politics, and the incumbents are removed whenever a party comes into power. In one instance 17,000 postmasters were dismissed for this cause.

In Belgium the railways belong to the State, and the Post Office is not charged for haulage, and in New Zealand the mails are carried by railway, free of charge. In the United Kingdom the Post Office has to make contracts with each railway company. Mr. Bains says that, in a general way, the contracts which the Post Office makes with the railway companies provide for the conveyance of mails bags by any of the companies' trains, whether employed in the passenger or goods service; and unless a postal officer is sent in charge of the bags, the railway guard takes care of them. On all the great lines, however, certain trains are run for Post Office purposes, under a statutory notice, compulsory in its terms, or in accordance with the conditions of a time table settled by mutual agreement. These are the mail trains proper, the hours of which cannot be altered without the consent of the Postmaster-General. Mr. Bains also says that, surprise is often expressed that the Post Office continues to use mail carts when the railway could afford a swifter, perhaps even a safer, means of conveyance. But the explanation generally lies in the fact that a train is not running at a suitable hour, and to put one on for the mails means great expense. Railway accounts usually show that the average cost per train mile is 2s. or 2s. 3d. Some profit should, of course, be realised over the bare cost, and one great company holds that nothing less than 2s. 6d. per train mile is remunerative. Take, then, the post of a town, 20 miles distant. The engine, going and returning, would

cover 40 miles, and at 2s. 6d. per single mile would cost £5 per trip, which multiplied by the days in the year works out to £1,825 per annum. A mail cart contractor usually receives about £10 per double mile for the year; so that £200 would, in this case, compare with £1,825.

It is often said that the cost of carriage of a letter by coach was considerably less than the cost of conveyance by railway in the present day of a letter on which a postage of one penny only has been paid; and it has been calculated that the cost of sorting in trains is about three times as expensive as sorting in a post office.

In India, when mails are sent in the custody of the guard of a train, the charge is at the rate of one pie ($\frac{1}{8}$ d.) per maund (80 lbs.) per mile, subject to a minimum charge for each despatch as for $\frac{1}{4}$ maund. This seemingly cheap charge is at the rate of 14 annas a ton per mile, and should prove remunerative to the railway. In the Railway Administration Report for 1908 it is said that the average rate for goods charged on Indian railways was just under half-an-anna per ton per mile. The charge for the haulage of mail vans on State railways is 18 pies (about 2d.) per vehicle per mile.

CHAPTER XI.

MISCELLANEOUS SUBJECTS—*Continued.*

State Management.—The Post Office in every country is worked by the State, and this is universally admitted to be the only means of obtaining the maximum amount of efficiency together with the greatest convenience rendered to the public. And no one is found, except a few interested persons in the United States, to advocate the handing over of the undertaking to private enterprise. It has always been regarded as an exception to the rule against State interference in trade, and even Mr. Herbert Spencer hesitated to condemn its continuance, opposed as he was to State action. Adam Smith says—"It is, perhaps, the only mercantile project which has been successfully managed by, I believe, every sort of government." Mr. Fawcett, the able professor of political economy, after being Postmaster-General for some time, expressed the opinion that a private management might probably have introduced a half-penny post in London, and have left the country worse served than at present (about 1882). Mr. Henry George says in his work on *Social Problems* :—"The inefficiency, extravagance, and corruption which we commonly attribute to Governmental management are mostly in those departments which do not come under the public eye, and little concern, if they concern at all, public convenience. Whether the six new steel cruisers which the persistent lobbying of contractors has induced Congress to order, are well or ill built the American people will never know, except as they learn through the newspapers, and the fact will no more affect their comfort and convenience than does the fit of the Sultan's new breeches. But let the mails go astray or the postman fail in his rounds, and there is at once an outcry. The Post Office Department is managed with greater efficiency than any other department of the

national government, because it comes closer to the people. To say the very least it is managed as efficiently as any private company could manage such a vast business, and I think, on the whole, as economically. And the scandals and abuses that have arisen in it have been for the most part as to out-of-the-way places, and things of which there was little or no public consciousness. So in England, the telegraph and parcel carrying, and savings bank businesses, are managed by Government more efficiently and economically than before by private companies.

Our postal service we merely aim to make self-sustaining, and no one would now think of proposing that the rates of postage should be increased, in order to furnish the public revenues, as they are yet made to furnish in England ; still less would any one think of proposing to abandon the Government postal service, and turn the business over to individuals and companies. In the beginning, the postal service was carried on by individuals with a view to profits. Had the system been continued to the present day, it is certain that we would not begin to have such extensive and regular postal facilities as we have now, nor such cheap rates.”

The peculiar nature of the service is the cause of its fitness for State management. The work extends over the whole country, it is uniform and regular and conducted on a definite routine, and the necessary capital in small in proportion to the expenditure and receipts. The criticism of the public stimulates supervision. A monopoly is justified to prevent rivals competing in busy centres, in which case double postal arrangements would even there make a reduction of rates impossible. There is little interest to be paid on capital, and there is a saving from unity of management. One might almost add that the Post Office touches every imaginable interest and is in contact with humanity on its most sensitive side, as all Post Office servants can testify that nothing seems to raise such passions in the human breast or elicit such violent language as the

non-receipt of a letter, newspaper, or postcard. Finally it may be said that the Post Office exists, not to tax, but to facilitate correspondence ; it possesses a monopoly only that it may do its work efficiently without loss to the State ; and that it is kept enterprising and efficient under the spur of public opinion.

Revenue.—The United States shares with the Argentine Republic, Mexico, Greece, Japan, and a few other countries the honour or discredit, of spending more on the Post Office than it receives, but its deficit is greater than the total deficits of all the other countries in the Postal Union. Great Britain makes a larger profit from the postal service than any other country, and in 1877 the postal revenue was larger than the revenue produced by the income tax. Russia, France, and Germany come next in the order indicated. In the German Post Office for the year 1908, after deduction of special payments, the financial results showed a surplus of £2,339,930.

In the United Kingdom it was decided in 1850 that in future a post should only be established when it would pay its way, or in other words, was self-supporting. Applications are frequently made for increased postal accommodation ; it may be an additional post office, a new mail line or for the acceleration of a mail. In such cases, it has to be seen whether the existing amount of correspondence warrants the alteration, or that the improvements will probably lead to such an increase of correspondence as will be sufficient to make good the additional expense, as increased accommodation can only be afforded by an expenditure of public money. It is sometimes urged that the particular correspondence concerned is of unusual importance, as, for instance, that it relates to large commercial transactions ; but it is obviously impossible to investigate such statements and to judge between the comparative value of different classes of letters. A letter from the smallest village relating to a matter of life or death may be as important as one from a large town containing a great

mercantile order ; but to provide in either case beyond the expense warranted by the amount of postage would be to tax the country at large for the benefit of a few. In a letter addressed to the Bengal Chamber of Commerce, by the Secretary to the Government of India in the Department of Finance and Commerce, in 1888, it was said:—".....in France and other continental countries the State avowedly accepts expense in order to provide cheap postal rates to the public—a principle which has never been admitted by the British Post Office or by India."

The actual revenue contributed by the British Post Office to the national exchequer is something like four millions per annum, an amount equal to about two pence in the pound income tax ; and in the report of the Select Committee on Revenue Departments Estimates in 1888, it is said, "it is most likely to continue to be conducted satisfactorily, if it should also continue to be conducted with a view of profit, as one of the revenue yielding departments of the State."

Apart, however, from the question of political economy as to whether a Post Office should make a profit, it is argued that the British Parliament would be wanting in commonsense to give up a lucrative source of revenue, raised easily and in a manner absolutely unfelt by the people, in order to impose fresh burdens on the overpressed tax-payer. It has also been held by some authorities in the department that a postal service not producing revenue would be a non-progressive service, seeing that the difficulty of obtaining financial authority for expenditure on improvements would be insuperable, when the Postmaster-General could no longer plead his revenue.

In France the inland rate of 15 centimes for 15 grammes was deliberately adopted for revenue purposes after the war of 1870, previous to which a 10 centimes rate was in force.

The results of two exceedingly unfavourable years as to postal revenue in the United States are ascribed to the industrial and financial depression prevailing at the time.

Accounts.—In India, the check over postal revenue and receipts to a great extent rests with the controlling officers of the department, whereas the audit of expenditure rests solely with the Accountant-General. It is a principle both in India and in England that the accounts of each office should be balanced and rendered daily. In India the accounts of sub and branch offices are amalgamated in the accounts of the head offices for the purpose of audit.

In the United Kingdom, "unpaid postage" is brought to account by means of postage stamps affixed to charged letter bills; and all revenue collections are paid into the Exchequer without deduction, and the money required for current services is issued by the Paymaster-General out of the supplies voted by Parliament. Also not a penny can be spent on the establishment without Treasury sanction. In India there are no such restrictions. The Director-General is given an allotment by Government for the year. Out of this each Postmaster-General is given an allotment for establishments and for fluctuating charges for his circle. The Postmaster-General distributes the allotment for fluctuating charges among his superintendents and head postmasters, and a careful check is kept during the year to see that the allotment is not exceeded.

It has already been mentioned in the chapter on the Universal Postal Union that *the* great principle which is the basis of the Union is the abolition of accounts relating to letters forwarded from one country to another.

Rates.—The principle that decides carrying companies such as railways and steamer companies, in their various charges for different classes of freight, seems to be the highest charge that a commodity can bear. Some classes of goods are conveyed at a cheap rate, whereas others are charged at a high rate. Also the rate of payment demanded from passengers depends in the first instance upon the cost of transport, and secondly on the power of passengers to pay. And it has been found by experience that a large trade with low rates gives a safer and steadier revenue than small traffic at high

rates ; also that high rates generally tend to prohibit or unduly check traffic, and thus restrict trade and discourage extended production, and when this is the case, railways have not conferred upon the country the full benefits, nor yielded the profits, which they might have done.

Just before the introduction of penny postage it was pointed out that the average charge on an inland letter was $6\frac{1}{4}d.$ and that the high rates pressed heavily on the poorer members of the community, besides being injurious to commerce. The rate of postage established in 1840 continued in operation till 1871, when a lower rate was introduced, *viz.* :

not exceeding 1 oz. 1d.
 over 1 oz. & not exceeding 2 ozs. $1\frac{1}{2}d.$
 and 1 $\frac{1}{2}d.$ addition for
 every 2 ozs.

In 1897 the Jubilee rates were introduced, *viz.* :

not exceeding 4 ozs. 1d.
 over 4 ozs. & not exceeding 6 ozs. $1\frac{1}{2}d.$
 over 6 ozs. & not exceeding 8 ozs. 2d.

with a $\frac{1}{2}d.$ for each succeeding 2 ozs. And with a letter rate so low as 2d. for half a pound and 4d. a pound, the letter post has tended to supersede the parcel post for light packets.

Four elements of cost require to be considered in fixing rates, (1) the weight of the article, (2) the distance it has to be carried, (3) its nature, and (4) the mode of conveyance used. The first is the basis of present letter rates. Mr. Rowland Hill showed that the second is so small an element of cost that its variation is of little importance. The real charges are those of collection and distribution and the maintenance of offices, the cost of which is equal on all letters. The cost of conveyance includes a variety of circumstances, the element of distance being only one. But the cost of conveyance does not necessarily depend upon the distance to which a letter is carried, as the following example will show. Suppose two despatches are sent from the same place in different directions ; one containing 100 letters to a place 500 miles distant, and the other containing 10 letters to a place 100 miles distant. If

The cost of conveyance be one anna a mile, then the cost of transit of the first despatch would be 500 annas or 5 annas for each letter, while the cost of transit of the second despatch would be 100 annas or 10 annas a letter, though the distance in the latter case is only one-fifth of what it is in the former. Rates regulated by distance would be obviously unfair under these circumstances, and it would be more correct to say that the cost of conveying a letter varies inversely with the number conveyed. Further, long routes are necessarily made up of numerous shorter ones, and often the establishment required for conveyance from one office to the next is sufficient, without being increased, for letters being sent from one extremity of the line to the other. This is self-evident in the case of lines with only one set of runners. Suppose a line of single runners from Calcutta to Allahabad 500 miles. It would not be correct to say that letters sent from Calcutta to Allahabad, the two extremities, cost the Post Office anything in proportion to the distance. The part Calcutta to Benares 400 miles must be maintained to carry letters to Benares, and the only expense incurred in conveying them to Allahabad would be the cost of the establishment between Benares and Allahabad.

It has always been the practice to charge differential rates for various classes of matter. It was shown that in 1845 letters sent to India *via* Marseilles were charged at a rate of more than £12,000 a ton, whereas newspapers were carried for £150 per ton. The penny letter rate has been regarded as the sheet anchor of British postal revenue, and every suggestion to reduce the same has been forcibly resisted. It is said that the cost of conveyance, weight for weight, at the present rates paid by the Post Office chiefly to railway companies, is now much more than it was when penny postage was first established, and when most of the letters were carried by mail coaches. It had been shown at that time by Mr. Rowland Hill that the average cost of conveying an inland letter did not exceed $\frac{1}{10}d.$, and that of a newspaper $\frac{1}{6}d.$ But now, calculating on the same principle, the average cost of conveying a letter

is $\frac{1}{8}d.$, and that of a newspaper (of the present average weight is $2\frac{1}{2}$ ozs.) is $1\frac{1}{2}d.$

In the United Kingdom, there is no limit as to weight, but no letter, unless it be from or to a Government office must exceed the dimensions $18 \times 9 \times 6$ inches. Petitions and addresses to His Majesty the King, and to the Houses of Parliament, are exempt from charge up to a weight of 2 lbs.

It was found as late as 1895 that 95 per cent. of the letters sent through the post weighed not more than one ounce.

As regards communications with distant places, experience proves that within moderate limits the number of letters is not much affected by the rate of postage; frequency, regularity and speed of communication appearing to have a far greater influence. And simplicity and uniformity of tariff have even more effect on the growth of correspondence than cheapness itself. Cheap parcel rates give a stimulus to the internal trade of the country. The trade of the country demands that everything should be carried at the cheapest possible uniform rate.

France may fairly claim to have been in advance of the United Kingdom not only in facilities for the transmission of money and other commodities, but also in the facilities of the book post and parcel post. In the tariff for ordinary correspondence it has always contrasted unfavourably.

High Rates.—Letters are the *primordia rerum* of the commercial world. To tax them at all is condemned by those who are best acquainted with the operations of finance. "This is the worst of taxes" said Lord Ashburton; "you might as well tax words spoken on the Royal Exchange." Dr. Dionysius Lardner regarded a tax on correspondence as he would a tax on speech; letters were a mode of speaking and hearing at a distance. And Mr. Henry Fawcett, a noted professor of political economy, and for some time Postmaster-General, looked on needlessly high postage rates as a tax on education, which he considered to be the worst of all taxes. And it is

abund that unduly high charges, by their reaction on industry, prove seriously detrimental to other financial resources.

The Penny Letter.—The basis of the British postal tariff is a minimum charge of 1d. for each letter carried by post. This rate was maintained till the year 1870, when a half-penny post was first introduced for certain classes of documents. In the Sixth report of the Postmaster-General it was said that the average postage on an ordinary inland letter continues to be about 1½d., and in the Seventh report that excluding official packets the average weight of an inland letter is still ~~not~~ other more than a quarter of an ounce.

As in the United Kingdom half-penny matter is said to be carried at a loss and the telegraph service is not self-supporting, the sender of a penny letter contributes nearly a farthing to the Exchequer and possibly the eighth of a penny towards the cost of the carriage of other people's telegrams, newspapers, post-cards and parcels.

Speed versus Postage.—As evidence of the greater importance which the public attach to speed than to low rates of postage, in relation to correspondence with distant countries, it may be mentioned that while the postage from the United Kingdom to India and Australia by way of Southampton was 3d. less than by the quicker route to Brindisi, nearly three-fourths of the correspondence was sent by the Brindisi route.

Reduction of Rates.—When Mr. Rowland Hill advocated a reduction of the postage rate, he first assured himself of the area of reproductiveness of correspondence; without this reproductiveness a reduction of rates has fatal consequences on the revenue. Regarding the reduction of rates in Queensland, a writer remarks :—“ One of the most striking things is the result of reducing the letter postage from Queensland to countries beyond Australia from 6d. to 2½d. per ½ oz. According to the theory of many postal reformers, such a reduction may entail an immediate sacrifice of revenue, but the loss is soon made good by the growth of correspondence. In Queensland,

however, the revenue from foreign correspondence, which was £9,300 before the reduction, has fallen every year since; and in 1894 was only £3,700. Moreover, the number of letters, etc., despatched from Queensland, actually fell off considerably during the years 1893 and 1894. These results appear to confirm the opinion of those who think that the state of business in a country, frequency of communication, etc., have quite as much to do with the postal development as low rates of postage."

When the domestic rate in the United States on letters, was reduced from 3 to 2 cents in 1893 the result was a decrease in revenue, and the Postmaster-General remarks:—"Besides a reduction of postage, this unsatisfactory result was due to the general business depression prevailing from the autumn of 1883 on the financial circles of the country, and the inference seems fairly indicated that the volume of the mails and the employment of the postal service depend less upon the differences in the rates of postage, when already low, than upon the condition of general affairs, by which the service becomes more or less desirable to business men." The revenue decreased by 23½ per cent. and only recovered itself very slowly.

Only one more example need be quoted. When a reduction was made in the domestic rate of San Domingo, and there was consequently some reason to expect an increase in the number of letters forwarded by which the decrease in the receipts would be made good, the revenue from postage, which amounted to 6,585,98 pesos in 1888, went down to 3,212,81 in 1889.

Increased Facilities.—It may be laid down as a golden rule that the granting of increased facilities for correspondence always results in an increase. On the introduction of the penny post it was found that increased accommodation resulted in an increased number of letters. What was true then is still true. The experience of the United States Post Office may be quoted. "If the service is improved all

through there will be less occasion for anxiety about its cost, for it has been the experience of many postal administrations that the giving of additional facilities within reasonable limits, is followed by an increased use of the mails and consequent growth of the revenue."

Half-penny matter.—In a report by the Select Committee on Revenue Estimates, it is stated that half-penny matter is carried at a loss, and whenever applications are made for concessions regarding this class of matter they have to be strenuously resisted. The postage on second class matter in the United States was reduced from two cents to one cent per pound in 1885. This low rate has led to the wholesale violation of the purpose of the law. In 1899 the Postmaster-General estimated that "fully one-half of all the matter mailed as second-class, and paid for at the pound rate, is not properly second-class within the intent of the law;" and the cost of its transportation exceeded the revenue derived from it by more than 12,000,000 dollars." Vested interests are powerful every where, and the lesson to be learned by other administrations is that resistance should be offered to all proposals of reductions in the existing charges for the conveyance of printed matter by post.

Book-packets.—In 1848 the book-post was started, for the benefit of education and literature, as Sir Rowland Hill said. It was originally a cheap half-penny post for printed matter, and was extended by concession after concession to meet the needs of commerce; here a little writing, and there a little more writing was allowed, till it became a very maze of intricacies, and there was very little shading off between the half-penny and the penny post. The term *letter* has never been the subject of an authoritative definition, and it was difficult to see why a tradesman's bill, which is in effect an intimation, say from Messrs. Brown, Jones, and Robinson to Mr. Smith, that the latter owes the firm a certain sum of money for goods supplied, should not be treated as a letter, while a formal invitation to dinner or notice of an appointment should

be so treated. The result of the admission of invoices and other documents to the half-penny rate was to establish as the final distinction between book-post and letter rates such trivialities as the precise turn of a sentence, an intimation at the foot of an invoice that "empty casks should be returned" being passed for a half-penny, while the more polite message. "Please return empty casks" was charged a penny. When it was once conceded that some written matter whether combined with print or not, was admissible at the privileged rate, it became impossible to lay down any line of distinction, which could be easily understood by the public, and observed by the staff of the department, between the written matter, which may pass, and the written matter which may not. The general idea underlying the regulations was to admit documents of a conventional, formal or impersonal character, and to exclude those of a personal kind; but the line drawn was necessarily an arbitrary one; and the public found it difficult to understand why of two documents, which are practically identical, one should be charged at the penny and the other at the half-penny rate. The new rules swept away these absurdities. They frankly admitted, which was not admitted before, that certain communications in the nature of a letter, though not circulars, may be sent for a half-penny, and they described and classified these communications. Any definition which involved a reference to the "nature of a letter" was bound to be unsatisfactory, for the simple reason that a letter has never yet been defined from a postal point of view; and, therefore, the plan adopted of discarding this phrase from the definition of a circular, and admitting instead certain classes of documents on certain conditions is perhaps the best that could have been adopted. They further altered the definition of a circular, abolishing the troublesome condition that the document should bear "internal evidence of being addressed to several persons in identical terms," and substituted the plain requirement that the circular should be wholly in print with certain specific exceptions.

The rules of the Postal Union recognise a reduced rate for printed matter, and the same rate, commencing at a higher *minimum*, for commercial documents.

It is believed that newspapers and books yield no profit, even if they do not entail a considerable loss; for, while the average charge, taking newspapers and books together, is less than that for letters, the expense is greater, since, from their large bulk and weight, newspapers and books give more trouble in sorting, are heavier in conveyance, and are a greater burden to the letter carriers.

Newspapers.—On the introduction of penny postage a high weight was fixed for newspapers, the Government being no doubt of opinion that the liberal dissemination of public intelligence had advantages to the body politic which more than outweighed the burden cast upon the Post Office though this concession involved the carrying of postal matter in its mails at less than cost price. Their policy overbore the scruples of the department.

It is recognised that newspapers are a necessity to present conditions of civilisation, and that they exercise an educational effect on the people; in some countries, as for instance, New South Wales and Tasmania, they are allowed to be sent in the domestic (inland) service free of postage, while in the majority of others they are carried at rates which just pay for their handling. In France newspapers weighing less than fifty grammes, or 1·7 ounces, may be sent within the department (district) in which they are published for one centime, or one-enth of a penny, or about one pie. The newspaper post practically established a preferential rate in favour of the proprietors of newspapers as compared with persons interested in other commercial undertakings.

In his sixth report the Postmaster-General says:—"By some of the applicants it was urged, as it has often been by others, that the wide circulation of newspapers is a very desirable object, as it tends to diffuse knowledge, and to bind countries and colonies more to each other. No one is more

convinced of this than myself, or more highly appreciates the talent with which our newspaper press is conducted, or its general value. But the same remark on the diffusion of information, and the strengthening of ties of friendship, applies to letters and books; and ease of attainment also is very desirable with regard to all other comforts and benefits, and in a yet higher degree as relates to the necessities of life. It is of great importance, doubtless, that every person should be able to procure cheap bread, yet no one proposes to establish state mills at which corn should be ground for half the cost, or even at the full expense, without profit.

In truth the demand for special privileges in the case of newspapers is in my opinion only one of the many forms of a claim for *protection*, and resolves itself into a proposal to tax the country at large for the advantage, real or imaginary, of a particular class; and is no more valid than a proposal to protect corn, hardware or cottons.

One of the evils of such privileges is the difficulty of drawing a line of distinction. A few years ago even a high legal officer declared his inability to define a newspaper; and how can it be expected that a power which was wanting in him can be possessed by the crowd of persons, many of them having but little education, engaged in the business of the Post Office?

Yet unless a broad line of demarcation be drawn, not only the department but the public have difficulty in recognising it; and partly from error, and partly by design, endless attempts are made to infringe the rule, and to extend the privilege to matter which it was not intended to include. Such attempts, in turn, give rise, for the protection of the revenue, to many regulations having no apparent necessity, difficult to remember, and irritating in their operation when they have unwittingly been broken. And thus a plan, unsound as I should hold it in its original construction, begets endless trouble and annoyance." In his 49th report, the Postmaster-General states—"Like my predecessors for many years past, I have been urged by various commercial bodies to establish a reduced

rate of postage for 'periodical' publications other than registered newspapers; but after giving careful consideration to the subject, I have not felt justified in adopting the suggestion. The particular proposal pressed upon me was that 'périodicals' should be allowed to pass through the post at the rate of one-half penny for 6 ozs., the existing rate being one-half penny for 2 ozs. If such a concession were allowed, it could not, in my opinion, be fairly confined to 'periodicals' however defined, but I am satisfied that the existing half-penny post is not remunerative. The cost of conveying and handling a 2 oz. packet is, on the average, more than a half-penny; and I can see no sufficient grounds for asking your Lordships to assent to additional loss which would be involved in increasing from ■ to 6 ozs. the weight which may pass at that rate."

A writer has explained how the distribution of newspapers does not pay the Post Office—"The fact is that the Post Office is in a false position with regard to newspapers. It has a monopoly for the distribution of letters, and therefore that can be made to pay. It has no monopoly for the distribution of newspapers, and therefore it is made to carry just those that it will pay nobody to carry, and the news-agents do all the carrying that there is a profit in. It hardly seems a fair arrangement. Here is a news-agent delivering newspapers to every door of a street a mile in length at a farthing each; he can earn nearly ten shillings on his four hundred deliveries of penny papers. True he has one to deliver at John O'Groats and another at Lands End. Consequently he gives them to the postman, with two whole half-penny stamps for the trouble. The postman has a thousand miles more or less to travel in the business, and earns one penny; the news-agent has a mile to foot it, and earns ten shillings. Under these circumstances it is perhaps not much to be wondered at that the distribution of newspapers does not pay the Post Office."

In the United States the abuses of newspapers privilege are rampant, and have been referred to for years in annual reports. The report for the year 1901-02 states that the efforts

of the Post Office to correct the abuses were checked by the appeal of interested parties to the courts, and restraining orders were issued by the Supreme Court of the district of Columbia in a number of cases, which will test the right of the Postmaster-General to exclude from the 1 cent per pound rate magazines of various kinds, etc., not entitled to that rate. Should the decision of the court be favourable to the Post Office, that class of publications would be carried at the rate of 4 cents per pound, which, it is estimated, is what it costs the Government to deliver them.

In a previous report (1887-88) the Postmaster-General, United States, says, the letter postage which alone yields a profit, must make good the loss sustained in the conveyance of printed papers, newspapers, samples, etc., which are transmitted at reduced rates. These articles furnish perhaps one-third of the weight and bulk of the mails, while they return about one-fortieth of the revenue, so that the Administration effects their conveyance below cost price. From 1st July 1907 to 31st December 1907 special weighings of mail matter were undertaken, and it was found that second class matter (newspapers) contributed 63.91 per cent. of the weight of the mails and yielded 5.19 per cent. of the revenue, and it was estimated that the loss to the Administration was about 57,000,000 dollars.

CHAPTER XII.

MISCELLANEOUS SUBJECTS—*Continued.*

Monopoly.—It has been shown in the chapters on the History of the Post Office that the object of the Crown in establishing the letter post appears to have been quite as much for the formation of a profitable monopoly as for the accommodation of the public. Mr. Joyce in his *History of the Post Office* says :—“ However it may have been in after years, the original object of the monopoly, the object avowed and proclaimed was that the State might possess the means of detecting and defeating conspiracies against itself.”

By Act 7 & 8 William IV and I. Victoria, chap. XXXIII, the Postmaster-General has the exclusive privilege of transmitting letters with a few exceptions, *viz.*, (1) letters sent by a private friend, (2) letters sent by special messengers on the private affairs of the senders or receivers, (3) writs, etc., issuing from the courts of justice, (4) letters sent out of the kingdom by private vessels, (5) communications from owners of vessels or of their cargoes sent gratis, (6) advices of goods sent by carriers to be delivered with the goods.

Some persons are altogether prohibited from carrying letters even for nothing, unless the letters are such as are allowed in the previous exceptions. Among those so prohibited are carriers, owners and masters of vessels passing from place to place in the British dominions, and passengers by such vessels. On this subject Mr. Bains, in his *Forty Years at the Post Office*, says :—“ Why the posting of a letter should be thickly surrounded by a thorny hedge of legal defence will cease to be a matter of surprise if my readers will but address themselves to the consideration of a single task, as one of many which bestrew the legal path—that of drawing up the definition of a letter. What is a letter ? For my part, I should see no chance

of success in making the attempt, especially as a valued colleague, well qualified by long service in the Post Office and intimate acquaintance with postal legislation to decide questions of the kind, once in my hearing gave an opinion to the effect that a strict exposition of the Postmaster-General's monopoly would go far to include all packages closed against inspection which are transmitted to a distance. Habit and common-sense, practice and public opinion, have put limits, generally understood and to a great extent defined by Treasury warrant, to the exercise of the postal monopoly ; but, still, it is the fact that while the carriage of a portmanteau, safely locked, exposes the carrier to no risk of a Post Office prosecution, yet the conveyance of a letter closed against inspection, or even open, unless it comes within the provision of some saving clause, renders the person who conveys it liable to pains and penalties which are real and not fanciful. But no act of Parliament or binding warrant, to my knowledge, positively declares in what a letter consists, nor where the monopoly of the Postmaster-General actually begins and where it ends."

Legal right in the colonies.—By law the Postmaster-General of the United Kingdom is still held to have authority over the rates of postage leviable in the colonies,—at any rate, to places outside colonial jurisdiction—and his power may legally extend even further. At all events, unless by orders in Council or Act of Parliament the management of postal arrangements within a crown colony is specially delegated to the colonial authorities, there the orders of the Postmaster-General, run until he himself shall tacitly, or by instrument, waive his legal rights.

Opening letters.—A Secret Committee was appointed in 1844 to enquire into this subject, and they recommended Parliament to decide that the power and prerogative of opening letters, under certain given circumstances, should *not* be abrogated. They argued that, if the *right* of the Secretary of State was denied, it would be equivalent to advertising to every criminal conspirator against the public peace, that he might

employ the Post Office with impunity. It was decided, in consequence of this finding, that the law should remain unaltered.

Threatening letters.—In English law it is a breach of the peace—the malicious sending of a letter threatening to murder. Criminally it is a felony to send a letter threatening to murder, or to burn, or destroy buildings, etc., or to kill or maim cattle ; maximum punishment, penal servitude, ten years. To send a letter demanding money, etc., with menaces, is punishable with penal servitude to the extent of life, and if the threatening be not by letter, maximum punishment, penal servitude for five years. Sending a letter, or otherwise, threatening to accuse of certain of the graver crimes, is punishable with penal servitude (maximum) for life, or not less than five years. It is immaterial whether the person threatened be innocent or guilty of the imputed offence.

Seditious newspapers.—Section 20 of the Indian Post Office Act of 1898 prohibits the sending by post, a newspaper having on it any words, marks or designs of a seditious, scurrilous, threatening or grossly offensive character. In referring to this subject in an article I contributed to the April number of the *Calcutta Review*, 1901, it was suggested that the wording of the Act might be amended so as to give a Local Government power to declare what newspaper was seditious, and to prevent its circulation through the post.—“It would not be practicable for the Post Office to have every newspaper read before it was allowed to circulate through the Post, and so this prohibition is really ignored. But a copy of every newspaper is sent to Government and is supposed to undergo some scrutiny, and should any editor persist in indulging in sedition after warning, it would be a very simple matter for the Local Government to stop the circulation of that paper by the aid of Government machinery. This would mean extinction for the paper, and would be more effective and simple than a troublesome and expensive prosecution, enabling the editor to pose as a martyr before a sympathising native public.”

In England, the Colonies, and the United States the use of the Post has been withdrawn for the sending of lottery circulars and betting offers, and we have only to turn to the Criminal Code to see the relative condignity of sedition and gambling in the eyes of the law.

It was not till the sudden introduction of the Press Bill, in 1910 that a Local Government was authorised to declare forfeit any newspaper, book or other document which appears to it to contain matter of the prohibited description, and upon such a declaration the Bill empowers the police to seize such articles and to search for the same. In each case the Local Government is the authority authorised to declare forfeiture, but a check is imposed upon the exercise of this power in that the Bill provides for an application within two months of the date of such declaration, to a special bench of three judges of the High Court on the question of fact, whether the matter objected to is or is not of the description defined in the Bill. If the High Court finds that it is not of that description, it must cancel the orders of forfeiture.

Larceny.—Robbery of the Post had become so frequent, especially in the neighbourhood of the Border, that the two Parliaments of England and Scotland jointly passed Acts in 1698 and 1699 making the robbery or seizure of the public post “punishable with death and confiscation of moveables.” In 1766 an Act was passed by Parliament, fixing the rates of postage between Great Britain and the Isle of Man, and directing that “any deputy, clerk, agent, or letter-carrier who shall steal a letter or its contents shall be guilty of felony and suffer death without benefit of clergy.” This was the penalty a hundred years ago. Robert Dyson was hanged at York in 1797 for stealing a letter, Arthur Baily was hanged at Bath in 1811 also for stealing a letter, and the last execution for this offence was that of John Barrett which took place in 1832. In the United States aggravated mail robbery was punishable with death until 1872. Larceny is still a serious offence in the eyes of the English law. If a Post Office employé, contrary

to duty, opens or detains a letter, or is accessory to its opening or detention, he is guilty of a misdemeanour, and is liable to, fine or imprisonment or both.

Test Letters.—All postal officers are acquainted with test letters, which are used by every administration. The following is an account given by Edmund Yates in his *Recollections and Experiences*.—"The ordinary method of detecting an official who had fallen into dishonest ways was by making up a "test" letter, which would fall into his hands and be dealt with by him in the course of his regular duty. In this letter was an enclosure, a coin, or a packet of stamps, which had been previously marked by the testing officer, and could be sworn to in a court of justice. If the letter did not come to hand at the proper time, the suspected man was at once seized and searched, and in most cases, the contents found on him.

It was the theory of those versed in such matters that a man had generally availed himself of a good many chances of theft before the suspicions of the authorities were directed towards him; so that the testing-officer had to deal with no innocent lamb, but with a sheep possessing a considerable amount of blackness, part natural, part acquired, for whom the net must consequently be spread in an artistic manner. A good deal of ingenuity had to be exercised in the writing of the letters, in which the marked bait was enclosed, as the least suspicion of their genuineness would have induced the thieves to destroy them, and to do away with their contents. Hence the great object was to make the letters read as natural as possible.

I recollect one, which amused me very much at the time. It was addressed to some non-existent person in New Zealand, and was written as though by a brother. It went at some length into family details, all very cleverly and graphically narrated: the death of "dear old grandfather" was touched on with much pathos. It then proceeded, "You will recollect the George II six-pence which used to hang on his watch-chain, and which we used to play with when children, sitting on his knee? The poor old man perfectly remembered how pleased

you used to be with it, and desired it might be forwarded to you, after his death, as a memento. So I enclose it." I am sorry to say the coin proved an efficient bait: the thief took the letter, and we found dear old grandfather's George II sixpence in his pocket.

I have often thought since that our proceedings were wholly unconstitutional and highly reprehensible, though they had the effect of bringing affairs to a head very quickly. After the culprit had been arrested and searched, he was hauled off to the Solicitor's office, and there, in the presence of a certain select few, examined by Mr. William Peacock, who acted as a kind of French *juge d'instruction*, administered the most terrifically searching queries, and probed the man to his very marrow.

Our worthy Solicitor had formed his manner on that of certain of the most notable Old Bailey practitioners of the day, and relied greatly on his power of easy *badinage* and smart retort. One day I recollect his being completely "stumped" by a man just brought before him. "Well, sir!" he cried, in his most sarcastic tones—"Well John Smith—I see that's your name—this is a pretty piece of business!" "Is it, sir?" replied John Smith easily, "I haven't heard the particulars of it yet! Wot's it all about?" Mr. Peacock collapsed; but in general he conducted this, I believe, wholly illegal preliminary examination with so much adroitness, and got his facts so completely marshalled, that the committal of the unfortunate wretch by the magistrate was a thing of certainty and speed."

Property in letters.—In India inland articles once posted can be recalled by the senders, and cases can easily be conceived where such a privilege is of the utmost importance to the author of a letter. In principle the Post Office is merely the agent of the sender, and its obligations are not completed until his article is made over to the addressee. According to the commonsense view the sender retains his property in the article, until the latter is made over to the addressee. The British Post Office, however, maintains an old fiction, that as

soon as an article is posted, it becomes the property of the Postmaster-General, so that a letter once posted cannot be recalled. The French Post Office at one time used to contend that a letter once posted became the property of the addressee. As this was contrary to the law in all similar cases of agents or carriers, the French administration had the courage to alter their rules, and made them in conformity not only with commonsense but with common law, and a letter can now be recalled in France by the sender, provided it has not been made over to the addressee.

In English law, letters after delivery are the property of those to whom they are addressed, but they cannot be published without the consent of the writer. If, however, a man's character is aspersed, and he has in his possession letters which enable him to clear it, he may use them for that purpose, though for no other. In the action brought by the Earl of Lytton against Miss Louisa Devey, the late Lady Lytton's executrix, and the other against Messrs. Swan and Sonnenschein, printers and publishers, Vice-Chancellor Bacon held that the letters belonged after the separation to Lady Lytton to whom they were addressed—"But the right to publish them is quite another thing; and that, in my opinion does not exist. It is a strange notion that, because one man writes to another a confidential communication, the man to whom it is written has a general right to publish it to the world."

Time of posting.—It sometimes happens that the time of posting a letter may decide whether a contract is binding or has been rescinded. One example will suffice. Dr. D. T. Jones, who lives at Sheffield, applied on October 15th, 1898, for 1,000 ordinary shares of £10 each in the London and Northern Bank, Limited, enclosing with his application a deposit of £500, or 10s. a share. His letter was received in due course by the company. On October 26th, Dr. Jones wrote from Sheffield to withdraw his application and request the return of the £500. The withdrawal was sent as a registered letter, and was delivered at about 8-30 on the morning of the 27th

before the arrival of the Secretary. On the afternoon of October 26th, at a Board meeting of the Company it was resolved to allot the 1,000 shares to Dr. Jones. An allotment letter addressed to Dr. Jones, dated October 26th, was delivered in Sheffield on the 27th at 7-30 P.M. The question was whether the withdrawal was in time, and came for decision on an application by Dr. Jones to have his name removed from the register of shareholders. The Company alleged that though the allotment letter did not reach the applicant before 7-30 P.M., it was posted before the letter of withdrawal was received. The settled law, observed Mr. Justice Cozens-Hardy, is that an offer is to be deemed accepted when the letter of acceptance is posted, the reason being that the Post Office is held to be the common agent of both parties. Logic seems to require, though law does not, that the same principle should be applied to the withdrawal of an offer. But the rule is a fair one, because where a man has committed himself to an offer, the other party may after the posting of the acceptance and before the receipt of the withdrawal have entered into engagements and contracted liabilities with third persons. The real witness in the case was the envelope in which the letter of allotment was posted. It bore a stamp-impression with the words: "11 A.M., 27th October, 1898," and it was proved that this stamp indicated that the letter was not posted at the General Post Office, but at a district post office. This shows the importance of the practice on which Jessel used to insist, of keeping the envelopes of letters. They may, as in this case, be more important than the letters themselves. This stamp raised a strong presumption that the letter was not posted until after 8-30. The Company sought to rebut the evidence by that of their own servants. It appears that Mr. Claxton, one of their clerks, was engaged with two others in preparing the letters of allotment during the whole night of the 26th—27th. At about 7 A.M., on the 27th, Mr. Claxton and one of the clerks took the letters, in bundles of 50, in a cab to St. Martins-le-Grand. After some conversation with a porter

in livery outside the building, they handed the letters to a postman who was passing, and gave him 6d. or 1s. for himself. The postman, said Mr. Claxton, went into St. Martins-le-Grand, came back and said all was right. The judge was not satisfied with Mr. Claxton's evidence, but pointed out that the postman was not an agent of the Post Office to receive letters ; on the contrary that town postmen were expressly and under penalty forbidden to take letters to the post. There was, too, no evidence where this unknown postman had really deposited the letters. The learned Judge therefore decided in Dr. Jones's favour, and ordered the return of the £500 with 4 per cent. interest.

Communicating by letter of rumours against the character of a Judicial officer.

An important principle of public right was confirmed by a decision of the Sessions Judge at Benares. Mr. Alfred Nundy of Gorakhpur was heavily fined for communicating in a letter to the authorities certain rumours against the conduct of a sub-judge. On appeal, the fine was quashed, and it was pointed out in the judgment that the allegations in the letter written by Mr. Nundy have not been substantiated, but their truth was not the point at issue. The real question was whether a man who was under the impression that information was desired in responsible quarters about the character of a sub-judge was entitled to communicate by letter the rumours that were in circulation. In writing his letter Mr. Nundy was most careful to explain that he was not in a position to verify these rumours. In finding that the communication was privileged and that it was made without malice, the judge points out that the reputations of men holding judicial positions are matters of public interest, and that every citizen does his duty by assisting to preserve the credit of the bench. If Mr. Nundy had professed to know that the rumours were well-founded when as a fact he was only familiar with them as rumours, he would have exceeded the limits of privilege. But

the wording of his letter was most accurate, and he ought never to have been prosecuted for what he did. The judgment is a carefully reasoned statement of the duty which members of the public have in directing attention to anything that may be likely to bring discredit on the administration of justice.

Exemption from serving on juries.—Postal officers are exempted from serving on juries. In England the jury list is exhibited at the principal door of every church, chapel, or other place of public worship, on the first three Sundays in September. If a postal officer's name is entered thereon, the officer should attend the petty sessions, or court, at the time appointed for the revision of the list, and claim exemption.

Overtime.—The Department retains and uses in the public interest the right to call upon any of its servants to perform overtime, whenever the exigency of the service requires the same, and it is the duty of every officer to give such extra attendance at all times as the circumstances call for.

Responsibility.—The responsibilities of common carriers do not extend to the Postmaster-General in the United Kingdom, or to the Secretary of State, in India, or to any of their subordinates; but a Postmaster is answerable in the ordinary courts of law for individual acts of negligence, and by section 6 of the Indian Post Office Act no officer of the Post Office incurs liability by reason of loss, mis-delivery, delay or damage, unless he has caused the same fraudulently or by his wilful act or default. All subordinates of the postal service are, of course, responsible to the Postmaster-General, who may and upon due cause will, besides other and official punishment, require them to make good to the sufferers losses which have been inflicted by proven breach of duty.

Postal servants and politics.—In the United Kingdom the Post Office Act of 1711 prohibited the Postmasters-General and all persons serving under them from intermeddling in elections. They were forbidden under heavy penalties "to persuade any one to give or to dissuade any one from giving

his vote for the choice." This was repealed in 1874. In 1782 Post Office servants were disfranchised, and this was repealed in 1868.

During the general election of 1892 a quasi-political agitation was carried on by some of the London sorters, who tried to influence candidates for Parliament by exacting pledges for the promise of Parliamentary support. The leaders were dismissed, and the principle upheld, that officials of the Department are to hold themselves free as public servants to serve either party in the State, without putting themselves prominently forward as political partisans.

Some of the Australian Colonies refuse to allow public servants a vote for the ordinary members of their assemblies, but allow them to return to the legislature, direct representatives of the Civil Service.

A Government servant may not take part in, or subscribe in aid of any political movement in India or relating to Indian affairs, nor may he attend any political meeting his presence at which is likely to be misconstrued or to impair his public usefulness.

Strikes.—In the present complex state of civilisation at which we have arrived, society depends upon the co-operation of several classes of public servants (railway, postal, and telegraph) not only for its food-supply, but for its business and social necessities. It is as monstrous that these classes, who are essentially public servants, whether the business is actually in the hands of the State, or delegated to companies, should use their position to overawe a country as it would be for soldiers or sailors to do the same by physical force. Representation of grievances is one thing, but a secretly concocted strike sprung on the country by surprise is nothing but a dangerous form of conspiracy, and deserves to be penalised as such. In Germany, Holland, Italy and Turkey it is now a penal offence for railway workers to strike. Employés have the right to make a full representation of their grievances, and if the conditions of service do not suit them they can hand in their

resignations. If they do not give statutory notice they should be punished; if they give notice in combination with the express object of demoralising the service, they should be made clearly to understand that whatever the consequences may be they will never be allowed to enter the service again.

The general principle adopted by Mr. Irvine in the great Victoria railway strike is sound, *viz.*, that the acceptance of Government employment on State railways places the workers on the footing of men who owe a certain definite duty to the public, which they cannot be allowed to ignore on account of any private grievances.

The strike of postal officials in Paris during March, 1909, placed the country in great peril. At a time when the question of peace or war in Europe was trembling in the balance of negotiation, the rulers of France were suddenly cut off from communication with their representatives in other countries, and the rulers of these countries, in like manner, were cut off from communication with France. The military strength of the country, even her power to resist invasion, was for the time thrown absolutely into abeyance. Had war broken out, the French defence for the first day or so must have been as disorganised as the telegraph service. It is easy to conceive almost as grave a situation in India. By section 50 of the Indian Post Office Act if a postman or a runner withdraws from duty without permission, or without having given one month's previous notice in writing, he shall be punishable with imprisonment which may extend to one month, or with a fine up to Rs. 50, or with both. There is no clause in the Act regarding the withdrawal from duty of the clerical establishment.

Gambling and fraudulent schemes.—In several countries the use of the Post is withdrawn for the furtherance of gambling and fraudulent schemes. The Postmaster-General, United Kingdom, in his 54th Report, says :—“ It was represented to me that the impression of the official ‘ paid ’ stamp on packets containing lottery circulars gave them a quasi-official appearance which was likely to mislead ignorant members of the public.

In consequence of this, and in order to decrease the facilities hitherto offered to senders of lottery circulars, any person desiring to post large batches of packets and to pre-pay the postage in money, is now required to sign a form of declaration to the effect that the packets do not contain lottery or betting circulars, and may be required to open a specimen packet. The effect of this arrangement has been to reduce considerably the number of packets containing lottery circulars observed in the post."

In New Zealand, the Minister may, by notification in the Gazette, prohibit the registration, forwarding, or delivery of postal packets, and the issue or payment of money orders to any person whom he has at any time reasonable ground to suppose is engaged in receiving any money or valuable thing as the consideration for an assurance or agreement, expressed or implied, to pay or give any money or valuable thing on any event or contingency relating to any horse-race or other race, fight, game, sport or exercise, or as the consideration for securing the paying or giving by some other person of any money or valuable thing on any such event or contingency; or in promoting or carrying out any scheme connected with any lottery, scheme of chances or unlawful game; or in receiving money under pretence of foretelling future events; or in any fraudulent, obscene, immoral or unlawful business or undertaking; or in advertising in direct or indirect terms the treatment of diseases of the sexual organs. The Postmaster-General has power to order the destruction of the contents of any postal packet (other than a letter or a letter-card) which he has reason to suspect contains or is supposed to contain any printed or written matter of any kind, or any enclosure of any kind, which is of a libellous, blasphemous, indecent, or immoral nature, or likely to have an indecent or immoral effect; or an advertisement of any lottery or scheme of chance.

By the Patent Medicine Act which came into force in Canada on 1st April, 1909, all patent medicines have to be approved and passed by the Minister of Inland Revenue, and

label showing this has been done must be attached before the drug is put on the market, and distribution of samples through the post is made an offence.

From a report on the United States Post Office it appears the Postmaster-General is authorised by law, upon evidence satisfactory to him that any person or company is engaged in conducting through the mails a lottery or similar enterprise, or a scheme for obtaining money or property by means of fraudulent pretences or false representations, to stop the delivery of letters or other matter addressed to such person or company. Upon the issue of a fraud order, postal articles including money orders are not delivered, but stamped "Fraudulent" and returned to the senders. It is claimed that the amount of money saved the public by timely action against swindlers using the mails has never been so large. The fraud orders issued against quack medical concerns probably exceeded in number those against any other class of unlawful enterprises. The Post Office had also to contend with the work-at-home schemes offering the reader profitable employment in his spare moments at home by remitting a small sum for an outfit. The Department was specially successful in its efforts to suppress the so-called prize package schemes. It was the practice of manufacturers and dealers in certain commodities to place in their packages premiums or prizes of different characters and values. It was held that plans of this kind contravene the lottery statutes and the offenders were requested to discontinue the objectionable business. Manufacturers and dealers generally have gladly abandoned the plan upon the assurance that all other persons engaged in its conduct would be required to do likewise.

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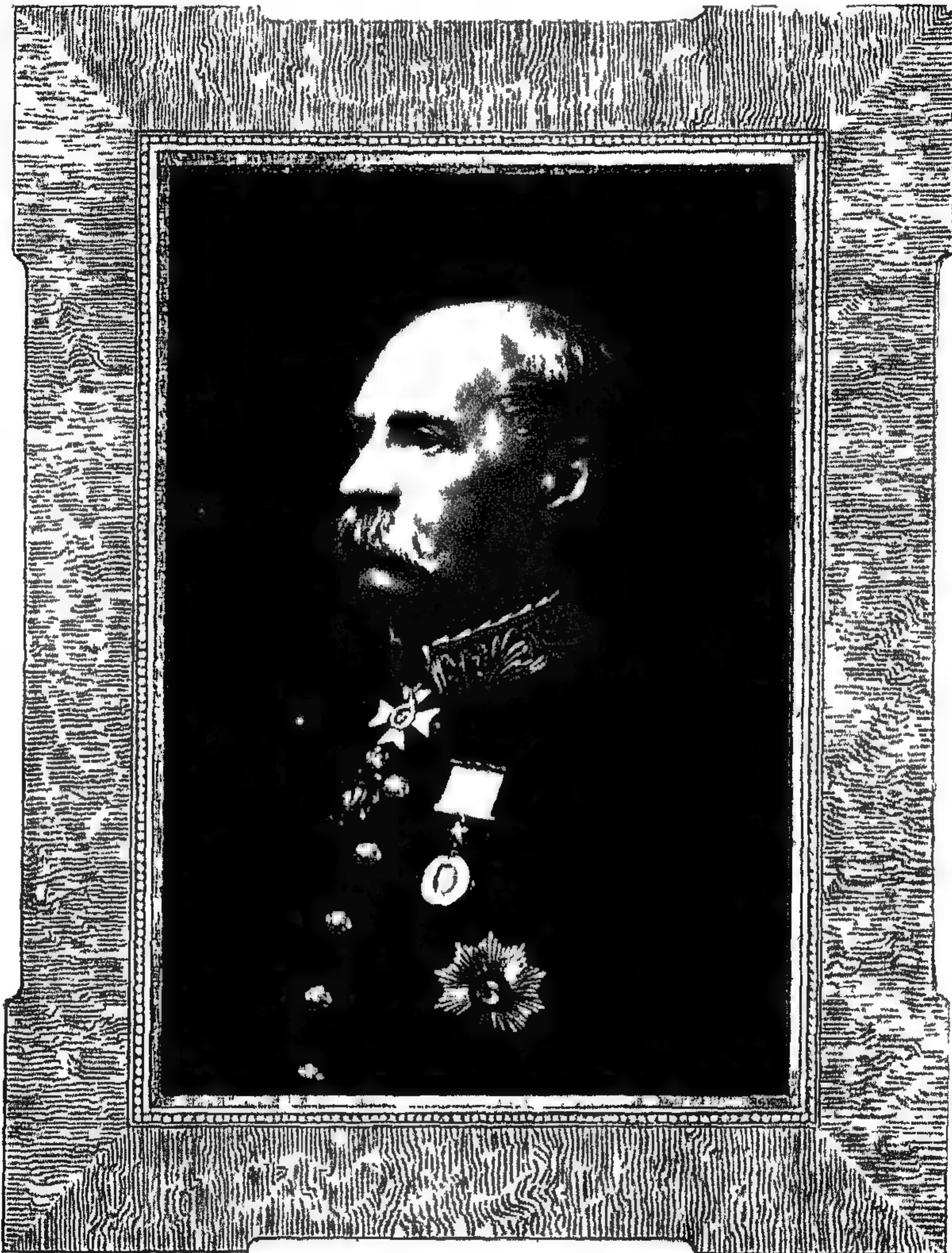
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Sir A. FANSHAWE.

Owing to financial pressure resulting from the depression of silver and considerable outlay for famine, measures involving loss of revenue or increase of cost were necessarily postponed.

1877.—Redirection charges abolished from 1st April.

Reduction of packet rates from 1 a. to $\frac{1}{2}$ a. per ten tolas from 1st September; and reduced rates for parcels exceeding 40 tolas.

Postal arrangements made for the Jowaki campaign.

V.-P. system introduced from 1st December.

1878.—Further reduction of rates for service correspondence.

Insurance introduced at $\frac{1}{2}$ per cent. without limit as to amount, from 1st January.

A fully equipped postal establishment despatched with the Indian troops to Malta.

From 1st April certificates of posting granted at $\frac{1}{2}$ anna each.

From 1st August insurance rates reduced from one-half to one-quarter per cent.

In November the Afghan War commenced and field post offices were organised.

1879.—Inland and foreign post-cards introduced in July.

Registration fee reduced from 4 as. to 2 as.

Peace restored by the treaty of Gundamuk in May, but the murder of the British Ambassador in September led to a resumption of hostilities. In December the price of the Postal Guide reduced to 8 as. and the Indian Postal Abstract first published at the price of one anna.

1880.—Reduction from 1st February of letter rates to Europe from 5 as. to 4 as.

Money order business transferred to the Post Office from 1st January. Maximum limit Rs. 150, and commission one per cent. and the substitution of 5,090 post offices for the issue and payment of money order in place of 321 treasuries. In three months the transactions were more than quadrupled.

From 1st February a new mail contract with the P. & O. Company came into force, with a speed of 11 knots, and 15½ days allowed between Bombay and Brindisi. The contract was for a term of 8 years with a subsidy of £370,000, and the Southampton route abolished.

Sorting of local mails for Calcutta began in the Railway Mail Service in February, by which means the distribution at the first delivery was advanced by two hours. The number of local deliveries in Calcutta increased from three to four in the day.

From 15th August, reduction of the minimum rate on parcels from 8 as. for 40 tolas, to 4 as. for 20 tolas.

From 1st August the rate of commission on V.-P. articles reduced by one half (*i.e.*, from 2 per cent. to 1 per cent).

From 1st August the price of the Postal Guide reduced to 4 as.

1881.—Post Office Manual, Second Edition, published.

• Reduction of postage on light newspapers to ¼ anna for 3 tolas.

In August the registration fee reduced from 4 as. to 2 as.

1882.—From 1st April Savings Bank work undertaken.

From 1st November stock notes sold through the agency of the Post Office.

Five Field Post Offices opened in Egypt for the convenience of the Indian Force serving in that country.

1883.—From 1st January Indian Postal Notes issued.

From 1st December all post offices constituted receiving offices for telegrams.

1884.—Revenue money orders introduced.

On 1st October telegraphic money orders introduced; also the payment of ordinary money orders by postmen at the houses of payees; and the sale of British Postal Orders.

Telegraph work undertaken by the Post Office staff.

Reply post-cards provided.

1885.—From 1st July a direct parcel exchange for light parcels not exceeding 7 lbs. with the British Post Office.

Field Post Offices accompanied the Military Force to Upper Burma.

From 1st October the V.-P. system extended to unregistered book packets.

1886.—From 1st January the V.-P. system extended to railway receipt notes.

The Jubilee of Her Majesty the Queen-Empress celebrated on 16th February by the illumination of the larger offices.

From 1st May the limit of weight of parcels exchanged with the British Post Office raised to 11lbs.

From 1st September one anna revenue stamps were sold.

Sale of Indian Postal Notes discontinued from November.

Purchase and sale of Government promissory notes and securities.

1887.—From 1st January the rates for telegraphic money orders reduced, and the postage to Ceylon reduced to inland rates.

Introduction of rent money orders.

1888.—From February new P. and O. contract, 16 days 16 hours London to Bombay, mails to pass through the Suez Canal, and subsidy reduced to £265,000.

A Field Post Office organised for the Sikkim Expedition.

Sea-sorting restricted to between Aden and Bombay, instead of between Port Said and Bombay.

In September field offices organised for the Hazara Expedition.

1889.—From 1st January, reduction of parcel rates to the United Kingdom.

A system introduced of summoning reservists for training, or service through the Post Office.

Payment of Native Military Pensioners undertaken.

Field Post Offices sent with the Chin-Lushai Expedition.

From 1st April the Post Offices in the Mysore State were taken over.

On 1st April the rates of commission on inland money orders revised.

From 1st November insurance introduced for parcels exchanged between the British and Indian Post Offices.

From 1st April reduction of the yearly limit from Rs. 500 to Rs. 200 of Savings Bank accounts, and of the maximum limit from Rs. 3,000 to Rs. 2,000.

1890.—From 1st May amount of inland insurance limited to Rs. 1,000.

Field offices accompanied the Zhoob Expedition in September.

1891.—In January field offices accompanied the Miranzai and Hazara Expeditions; and also the Wuntho Expedition.

On 1st January postage on letters to the United Kingdom reduced from $4\frac{1}{2}$ to $2\frac{1}{2}$ as. per half ounce. Postage between Aden and India reduced to inland rates.

From 1st January the V.-P. system introduced between India and Ceylon.

In April a field office accompanied the Manipur column.

1892.—In September a field office accompanied the Isazai Expedition, and in October the Kurrum Field Force, and also the Wano Expedition.

Moveable plates introduced as a check on the clearance of letter boxes.

The union rate of $2\frac{1}{2}$ as. made uniformly applicable to all foreign countries.

1893.—Telegraphic money order exchange with Ceylon introduced in May.

1894.—From 1st April rate of interest on Savings Bank accounts reduced from $3\frac{3}{4}$ to $3\frac{1}{4}$ per cent.

From 1st May a daily steamer service established between Tuticorin and Colombo.

From 1st November the amalgamation of the Kashmir State postal system with that of the Post Office of India.

The management of posts in the Native States of Bamra, Nandgaon, and Pudukotta undertaken.

Field Post Offices organised for the Waziristan Force.

1895.—From 1st August, unregistered parcels received for transmission through the inland post.

Introduction of thumb impressions for illiterate persons in connection with money order and savings bank transactions.

Opening of Post Offices in the Native States of Meywar, Marwar, and Bhurtpore.

The Indian Post Office at Zanzibar was closed after an existence of twenty years.

1896.—Presidency Savings Banks merged in the Post Office Savings Bank.

1897.—On the 1st January the amalgamation of the posts of the Native States of Bharatpur and Khairpur with the Post Office of India.

The introduction of “continuous delivery” system at Calcutta.

On the 12th June, the earthquake in Assam caused the entire destruction of 25 Post Office buildings, and serious damage to 52 others.

On the 24th October the cyclone at Chittagong caused the total destruction of 33 Post Office buildings, and serious damage to 8 others.

1898.—From 1st February postal life insurance extended to all Government servants.

From 1st February, new P. & O. contract, London to Bombay, 14 days 15 hours.

From 1st April the V.-P. system extended to unregistered parcels.

From 1st July new Post Office Act.

On Christmas Day the introduction of the Imperial penny postage scheme at the uniform postage rate of one penny the half ounce.

Scale of postage for inland letters revised and made cheaper, a new rate of quarter of an anna for four tolas added to the scale of postage for registered newspapers; and the maximum limit of insurance raised to Rs. 2,000.

Rates for parcels *viâ* Gibraltar reduced, and the Brindisi route opened for parcels.

1899.—A field office opened in connection with the Mishmi Expedition.

1900.—On 1st January the postal arrangements of the Banganapalle Native State amalgamated with the Post Office of India.

The senders of parcels to the United Kingdom enabled to pre-pay customs duty.

In June field offices despatched to China to accompany the British Contingent of the China Field Force.

1st November the postal arrangements of the Jhallawar Native State amalgamated with the Post Office of India.

The foreign parcel post extended to the United States of America.

1901.—On 1st March the postal arrangements of the Kotah Native State amalgamated with the Post Office of India.

Field Post Offices opened in connection with the blockade of the Mahsud Waziris.

The postal arrangements of the Dhar Native State taken over by the Post Office of India on 1st April.

Reduction of inland parcel rates from 1st July, 12 as. instead of Re. 1-4-0 for a 5 lb. parcel, Re. 1/- instead of Re. 1-12-0 for a 7 lb. parcel, and Re. 1-8-0 instead of Rs. 2-12-0 for a 11 lb. parcel.

1902.—From 1st April the posts of the Sirmoor State transferred to that of the Post Office of India.

From 1st April the commission on money orders not exceeding Rs. 5 reduced from 2 as. to 1 anna.

From 1st July the amalgamation of the posts of the Alwar State with the Post Office of India.

Mail communications established with Persia *viâ* the Nushki-Seistan route.

1903.—Post Offices opened in connection with the Coronation Durbar of January.

In January a Field Service Establishment sent to Somaliland.

The weight for registered newspapers was increased from 4 to 6 tolas for $\frac{1}{4}$ anna.

In December special postal arrangements made for the Thibet Mission.

India accepts a cheap uniform scale of parcel postage within the Empire.

1904.—From 1st January the postal arrangements of the Bikanir Native State amalgamated with the Post Office of India.

On 1st April booklets of half anna and one anna stamps were introduced, interleaved with oiled paper so as to preserve the stamps in good condition during the monsoon.

From 1st August revised rules introduced for the purchase of Government securities, whereby no charge is made for brokerage or commission on the purchase or sale, and no income tax levied on securities so long as they remain in the custody of the Comptroller-General, and a scheme for permitting investment of small sums not less than Rs. 10, for which certificates are issued.

1905.—From 1st April the inland letter rate lowered to half anna for $\frac{1}{2}$ tola, and above this weight to 1 anna for $1\frac{1}{2}$ tolas; and arrangements made to grant, under certain conditions, compensation up to Rs. 25 for the loss or damage of registered articles. From 1st July insurance fee reduced from $\frac{1}{2}$ to $\frac{1}{4}$ per cent., subject to a minimum of one anna.

From 1st July deposits at six months' notice of withdrawal introduced, and interest allowed at $3\frac{1}{4}$ per cent., and the interest on deposits at call reduced to $3\frac{1}{8}$ per cent.

From 1st October the use of half anna and one anna postage stamps authorised for revenue purposes.

Six postal officials killed and five severely injured by the earthquake in the Kangra and Kulu Valleys.

The letter postage to Australia and Egypt reduced to 1 anna.

British Postal Orders made payable in India from 1st October.

1906.—From 1st March Zemindary Dâk establishments absorbed by the Imperial establishment.

Postage on foreign parcels reduced from 1st October.

1907.—From 1st March premia reduced on Life policies. 1st April, commission on the sale of postage stamps discontinued.

The amalgamation of the Holkar State system with the Post Office of India.

From 1st October the weight raised from $\frac{3}{4}$ to 1 tola for $\frac{1}{2}$ anna, and from $1\frac{1}{2}$ to 10 tolas for 1 anna; and parcel rates applicable to weights between 20 and 440 tolas reduced by 2 annas throughout the scale. Preferential rates for official correspondence were thus abolished.

From 1st October the unit of weight for foreign letters raised from $\frac{1}{2}$ oz. to 1 oz.

From 15th November the international reply-coupon introduced.

1908.—In February field offices accompanied the Bazar Valley expedition, and in April the Mohmand expedition.

From 1st February new contract with P. and O. Company and time allowed between Brindisi and Bombay reduced by 8 hours.

1909.—The scheme of reducing inland postage rates was completed by raising the maximum weight for which a registered newspaper can be carried for $\frac{1}{4}$ anna from 6 to 8 tolas and for $\frac{1}{2}$ anna from 20 to 40 tolas.

The revenue money order system was extended to the Bombay Presidency.

Official Correspondence.—In the United Kingdom Parliamentary franking existed in 1666. In 1764 a Committee was appointed to enquire into its abuse, and found several frauds existed, and that there was a regular trade in buying and selling franks. The privilege was finally abolished in 1840, as it was found that free matter by the ton passing through the

mails interfered with the regular transmission of correspondence, impairing the efficiency of the department, and detracting largely from its revenue.

As already stated, the Post Office of India was started for the conveyance of official correspondence. Subsequently private correspondence was carried on payment, and as the number of private letters increased, the East India Company repeatedly declared that so long as the department paid its expenses nothing more was desired, that is, a surplus was not expected. As private correspondence continued further to increase, the next view held by the Government was :—
 “The Post Office is an institution deriving a revenue from the public only in return for services rendered *both* to the public and to Government.” In 1864-65 the point was very nearly reached when it could be said that the revenue from private correspondence alone paid all expenses. Since this date on account of the reduced and very favourable rates for official correspondence, the revenue from this source has considerably decreased in proportion to that from private correspondence.

Up to the year 1866 all official articles were conveyed free, and the Government departments concerned were *pro forma* debited with the postage due. The result of the almost unrestricted license to frank letters on the public service, thus given to a large number of officials, greatly increased the number and bulk of official despatches, the number passing through the post in 1865 being considerably more than double that in 1854, and accordingly in 1866 the system was changed. Service stamps were introduced and pre-payment insisted on. The results fully justified the measure, the official postage charges having fallen from 50 lakhs in 1865-66 to about 29 lakhs in 1866-67, and 12 lakhs in 1876-77. The service rates had always been cheaper than for private correspondence. It was considered that the rates for ordinary articles were reasonable enough for light letters by private individuals, but were disproportionate for heavy official covers, that cost

the Post Office less on the average to handle and deliver than private vernacular letters. In 1876 it was said that the rates then in force for official correspondence did not represent more than the actual cost entailed by the conveyance of Government despatches, and since then the rates have been reduced. In the United Kingdom no distinction is made in the rates for private and those for official correspondence.

Sea Sorting.—By the contract with the P. and O. Company introduced in 1867 a weekly mail service between Bombay and Europe was started, and Bombay became the Indian port of embarkation and disembarkation of the entire overland mails. This contract also provided for sea-sorting between Bombay and Suez, which was commenced in 1868. It formerly took about six hours to do this work in the Bombay Post Office, resulting to the import mails often in the delay of a whole day, and sometimes in the use of a special train.

In 1888 this sorting service was restricted to between Bombay and Aden.

It was found that as the bulk of the mails increased, the accommodation provided on the mail steamers was inadequate, and the cost of obtaining further accommodation was out of all proportion to the benefits that could be obtained. It is now proposed to abolish the Sea Post Office, and have the mail sorted on the landing stage in Bombay harbour, thereby effecting a gross saving of £7,500 a year on the P. and O. subsidy, and perhaps a net saving of £4,000. Bombay and Karachi would be the chief towns affected by the change, as letters would be delayed about four hours in delivery, if the steamer arrived after 4 A.M., whereas for other parts of India the delay would be perhaps two hours.

In 1857 the British Post Office started sea-sorting on their Mediterranean packets, and in June 1859 tried the plan of sorting at sea the American mails to and from Liverpool, but after some years it was given up.

A marine Mail Clerk Service was started by the Canadian Post Office in 1858, between Canada and Great Britain. In

this service only one officer appears to have accompanied each mail steamer, and the service was discontinued after a few years. Sea-sorting was commenced in the North German Lloyd and Hamburg-American steamers in 1890 between Europe and the United States, and in 1908 by the French mail steamers between Havre and New York.

The Overland Route.—During the Franco-German War when the hostile forces approached Paris, the overland mails had to branch off at Amiens and go round by Tours. As soon as the communications with Amiens were threatened, the Marseilles route was abandoned in October 1870 and the mails were sent through Belgium and Germany, by the Brenner Pass to Brindisi, and then by packet to Alexandria. This is the origin of the use of a port on the Adriatic for the Indian, Australian and China mails. The Marseilles route was resumed in 1872.

There has always been a loss on the communication by sea between India and Europe. Sea postage, whether collected in India or Great Britain, is deducted from the cost of the service, and the balance or net cost is made a charge in equal shares between the two countries. The Indian share of the net loss was : in 1870-71, £69,150 ; in 1880-81, £71,051.

The Government Bullock Train was an agency for the booking of passengers and goods. Prior to 1846 goods were transmitted by river steamer from Calcutta to Allahabad, where the Postmaster arranged for their onward transmission to destination by country cart or coolie. This arrangement having been found slow and imperfect, a carrying agency, called the "Bullock Train," was organised by the Post Office in 1845-46, consisting of carts drawn by bullocks posted in relays at fixed intervals on the grand trunk road between Allahabad and Delhi. A considerable acceleration was thus effected ; for goods, instead of moving as before by short daily stages, travelled day and night at an average speed of about two miles an hour. Gradually extensions were made, and in 1855-56 the Government Bullock Train worked regularly

between Calcutta and Peshawar, maintaining at the same time various branch lines throughout the Presidency of Bengal. The undertaking was a successful one. Heavy packages, troops and passengers were carried in safety at a moderate charge, and, after paying all expenses, a profit always accrued to Government. The net profit for the five years 1845-46 to 1849-50 was Rs. 44,829-7-2. This led to the establishment of other similar organisations under private companies ; and Government, not wishing to compete with private enterprise, transferred the Government Bullock Train work to the Indian Carrying Company with effect from 1st May 1862. This Company having failed, the Post Office again took over the business in 1868, but the various lines were gradually closed as soon as the railways developed, and in 1882 the business was limited to the Ambala-Simla line, and was finally closed in October 1904.

The Value-Payable System.—Value-payable, or V. P., is the term applied in India to the system under which the Post Office undertakes to deliver an article and recover from the addressee the amount specified by the sender, and to pay this amount to him after deducting commission. In England it is called cash on delivery, or C. O. D. When the business was started in December, 1877, its application was restricted to parcels posted at disbursing offices (head offices). All parcels were then registered, as unregistered parcels have only been accepted since 1st August 1895. In 1879 the system was extended to registered book packets, and a year later the area of posting was greatly enlarged, so as to include all money order offices. On the 1st August, 1880, the rate of V.-P. commission was reduced by one-half (*i.e.*, from two to one per cent.) and assimilated to the rates of commission charged on money orders. In October, 1882, the scheme was extended to registered letters, and on 1st October, 1885, to unregistered packets, both paid and unpaid. Prior to the latter date the cost of the registration fee, coupled with the necessity for the pre-payment of postage, proved a practical

bar to the use of the system for light books and pamphlets. The removal of these impediments was immediately followed by the transmission of more than 50,000 unregistered V.-P. book packets, during the six months succeeding the relaxation of the rule.

A further extension was made in January, 1886, by the acceptance of railway receipt notes. This was described by the Director-General in the following paragraph :—

“ For some years the method of transmitting railway receipt notes as value-payable letters has been largely followed, one firm alone having sent goods, in a single year, to the value of Rs. 20,000, the price of which was recovered from the purchasers under the value-payable system. Endeavours were, therefore, made by this Department to facilitate general resort to a convenience which the public itself had spontaneously adopted. The main objection to this measure consists in the ease with which the delivery of goods can be obtained on indemnity bonds, the production of the railway receipt being dispensed with altogether. It sometimes happens that consignees, having once received their goods, evade payment by not taking delivery of the railway receipt notes sent through the post as value-payable registered letters. All that the Post Office, therefore, demands was, that the production of the railway receipt should be made an absolute preliminary to the delivery of the goods. After a lengthy and protracted correspondence this point was conceded on certain railway lines, and rules were issued in January, 1886, providing for the transmission of railway goods and parcel receipt notes under the value-payable system.”

The following year a further change was effected under which the sender addresses the goods to himself, endorses the railway receipt to the individual for whom the consignment is intended, and then makes over the receipt to the post office for transmission to destination under the value-payable system. The object of this change was to free the railway company from the risk of incurring pecuniary responsibility.

by inadvertently delivering the goods in anticipation of the production of the receipt. Now that the packages are directed not to the real recipient but to the sender, this risk is reduced to a minimum, and the sender can rely on his money being realized by the Post Office before the goods are parted with by the railway company.

Special measures had next to be taken to put an end to an abuse in connection with unregistered book packets, which were posted in large numbers by obscure book-sellers and publishers, to persons who had not ordered them. Many were unwittingly accepted and paid for, and these were sufficient to make the business a profitable one, as on a packet being refused the loss was only the postage, which was ordinarily $\frac{1}{2}$ anna. Not only did the abuse cause annoyance to the public, but the Department had to return to the senders without further remuneration those packets that were refused. The new rules introduced on the 1st April, 1889, made it compulsory to pay the money order commission on unregistered packets in advance, and this was not to be refunded if the packet was refused. Also all value-payable articles had to be accompanied by a certificate that they were sent in execution of *bonâ fide* order. By making the pre-payment of the commission compulsory, no injury was caused to *bonâ fide* tradesmen, for the amount pre-paid is always included in the sum specified for recovery from the addressee. These new rules soon put an end to the abuse referred to, as it became no longer a profitable speculation to send a number of articles on the chance of a few being accepted, and further there was the risk of prosecution for giving a false certificate.

As the system was not instituted in order to become a cheap and easy substitute for the civil courts for the collection of debts, the certificate precludes a tradesman from sending a receipted bill by this means unless instructed to do so.

When the amount to be recovered exceeds Rs. 25, V.-P. articles are delivered at the post office, and not through the postmen, who in such cases deliver only an intimation of arrival.

Legal documents, bonds, policies of insurance, promissory notes, railway goods and parcel receipts, bills of lading, or ordinary bills for collection may be sent as value-payable articles, provided always that they are sent in compliance with a *bonâ fide* order.

Parcels and registered letters may be insured, and it is not necessary for the insured value to correspond with the amount to be recovered from the addressee. For example, if a watch is returned after repairs, the amount to be recovered would be only the cost of repairs, whereas the sum insured might represent the value of the watch.

The Post Office does not take cognisance of any disputes between the senders and addressees of V.-P. articles as to the nature of their contents, except when a complaint of fraud is made by the addressee, when the postmaster at the office of delivery has to detain the issue of the money order and to report the case to the Postmaster-General for orders.

Perhaps no scheme of postal business has been so successful as the V.-P. system, or has been so profitable to the trade of the country, and it is curious that when first started in 1877 it did not attract much custom. It has created a new kind of retail business, and several large firms have sprung up at the Presidency towns which trade with constituents mostly residing in the country. Prior to the introduction of the V.-P. system a firm doing a ready-money business was almost limited in its operations to the single town in which the business was carried on. The extensive organisation and numerous agencies of the Department are now utilised so as to enable a firm to extend its operations with almost equal facility to the whole of India. The advantages are reciprocal, for it allows persons in the country to reap the convenience and benefit of direct dealings with all ready-money concerns.

During 1907-08 nearly $1\frac{1}{2}$ million pounds sterling was paid to tradesmen in Calcutta, nearly $\frac{3}{4}$ of a million at Bombay, and just under $\frac{1}{2}$ a million at Madras.

A scheme was initiated by the British Post Office for the establishment of an exchange of packets and parcels under the value-payable system between the United Kingdom and British possessions abroad, but unfortunately the Government of India declined in 1908 to participate in the scheme.

The following figures show what an important position the V.-P. system has assumed in the trading transactions of the country :—

Year.	Number of V.-P. articles.	Value specified for recovery (in lakhs of rupees).	Commission realised (in lakhs of rupees).
1880-1	49,389	6	0.1
1890-1	1,108,888	1.16	2.1
1900-1	2,608,888	3.42	5.9
1907-08	6,165,600	7.50	10.5

Revenue and rent money orders.—There have been grafted on the money order system several measures, adapted to the individual requirements of each case, for the remittance of rent to landowners, and of Government dues such as land revenue, cesses and income-tax. These have been devised with the special purpose of protecting the people from illegal exactions. The landowner is saved from improper demands made by subordinate revenue officials, and the tenant is protected against the landlord or his agents.

It may be mentioned that the land-revenue system and the laws regarding land tenures vary in each Province.

Before the introduction of a special system in Bengal for the remittance of land revenue by money order a certain number of small zemindars used occasionally to avail themselves of the money order system and send their instalments of revenue to the Collector by money order. These remittances were not, however, legal tenders of revenue, and it was always in the power and discretion of the Collector to refuse such remit-

tances. As a matter of fact, they were frequently refused on the ground that the particulars required by the Revenue Department were not given by the remitters, or that the form in which they were given was inconvenient. As representations were made on the subject, the assistance of the Post Office was asked and a scheme was devised under which zemindars might remit their land revenue, road-cess, and public works cess to the Collector, by a special form of money order, in which provision was made for the entry on a special coupon or chalan of all particulars required by the different receiving officers. The system was so devised as to give the Revenue Department an opportunity of examining each money order and chalan before accepting the remittance, and any money order that is refused is at once returned to the remitter by the Post Office. The receipts for accepted remittances are returned to the remitters under a special system of registration, so that each zemindar who pays his revenue by money order, receives, in the first instance, a receipt from the post office of issue and afterwards a formal receipt with the full particulars signed by the responsible Collectorate officers. One of the principal features of the system is, that all payments of revenue money orders by the Post Office to the Collectorate are made by book transfer so that there is no handling of cash by the subordinates of either office, and the risk of fraud and embezzlement is reduced to a minimum.

Revenue money orders introduced in 1884 have been described in the United Provinces as that scheme under which the Tehsildar and the Moharrir have been educated out of their primitive methods of collecting Government revenue. The scheme was a boon to the mass of the agricultural community. The co-parcenary system of land tenure involves the sub-division of the Government demand into a vast number of fractional sums, often of a few rupees each or even less. The system hitherto in force supposes that one or two headmen in each village should collect the entire demand from their co-sharers, and pay it in a lump sum, receiving a percentage for

their trouble. But this existed only in name. The headmen neither collect or pay in the revenue, and the custom is for every co-parcener, however small, to realise his own quota of rent from the tenants and to pay his own share of the demand, which has to be credited at the head-quarters of the tehsil or the head-quarters of the district. The man has now only to go to the nearest post office, obtain and fill in the special money order form, pay the amount, and in due time will receive the official acknowledgment.

The rent money order system was introduced in 1887 by which a special form of money order is used by a tenant for the remittance of small sums on account of rent to landowners. Headings are provided in this form for entries showing the name of the village and estate and of the *kist* or the particular period to which the payment relates. The object of entering this detailed information is to ensure that the payment for one *kist* shall be devoted to that particular *kist* and not applied, as is too often the case, to an arrear instalment of rent, the recovery of which has become barred by limitation. A means was thus provided under which, by resort to the Post Office, tenants can rely on getting a valid receipt for sums paid as rent.

It was announced in the last resolution on the working of the Bengal Tenancy Act that the levy of illegal cesses by landlords in addition to rent, prevails to some extent all over the Province, but there is reason to believe such exactions are diminishing, particularly in districts where survey and settlement operations have been completed. Payment of rent by money order is one of the ways by which the tenant is able to evade these illegal exactions of his overlord, and the system is, therefore, not popular with the landlords and their collecting staff, but tenants whose relations with their landlords are strained, or those who live some distance from the collecting centres, are glad to avail themselves of their right to pay their dues through the Post Office. During the last ten years the number and value of rent money orders have about doubled.

The Post Office has also helped to cheapen the price of salt to the toiling masses of this country, by receiving salt revenue at post offices, and thus assist salt traders to obtain consignments.

The money order system has already been described in Chapter V, and the following statistics show the inland money order transactions :—

Year.	Number of money-orders issued.	Value (in lakhs of rupees).	Commission realised (in lakhs of rupees).
1880-1	1 604,174	4.57	5
1890-1	7,326,065	15.78	19
1900-1	12,922,465	26.27	33
1908-9	23,132,115	39.19	45.29

Payment of Native Military Pensions.—Native military pensioners had to attend twice a year at certain fixed centres visited by a pension paymaster to receive their pension, and had often to make a considerable road journey. The hardship imposed on old and feeble men was removed by the Post Office coming to the aid of the Military Department, and undertaking in 1890 the payment of pensions at most post offices in the Punjab and North-West Frontier. This scheme afforded a saving of public money, and is considered a valuable administrative reform tending to popularise service in the native army. The Post Office receives from the Military Department a credit of only 12 annas per cent. to meet its expenses in respect of these payments, this being lower than the ordinary rate paid by the public for money orders. The number of military pensioners paid by the Post Office in 1908-09 was 35,387 and the amount 24.08 lakhs.

Sale of quinine.—Millions of human beings in this country are out of the reach of medical skill, and in 1892 the Post Office gave its widespread agency to promote Sir Charles Elliot's scheme for the sale of quinine in pice packets as a remedy for

a disease which every year kills hundreds of thousands of our fellow creatures. The Post Office thus became the “poor man’s physician.” At first the packets were five grains each, and this was considered a normal dose, and was procurable for one pice, the smallest coin in daily use among the people. The weight of the packet was subsequently raised to seven grains, but the price remained uniform at one pice. In the Bombay circle directions for the use of the drug were printed on the packets in the several local vernaculars, and in Burma leaflets were issued in English and Burmese describing the merits of quinine. The amount sold in 1908-09 was 7,549 lbs.

Continuous delivery.—One of the most important problems is to reduce as far as possible the striking disproportion existing between the length of time taken in the transmission of articles by the local post, and the short distances to be traversed. In tackling this problem, Mr. Owens, the Presidency Postmaster, introduced, what he termed a “continuous delivery” system in Calcutta in 1897. Mr. Owens stated that the objects aimed at in devising the system were:—

- “(a) To make rapid and frequent deliveries of prepaid correspondence.
- (b) To obviate the delay that must occur under any other system between the arrival of a mail at a post office and the commencement of actual delivery of the mail matter by postmen on the beats.
- (c) To make use of the postmen on their beats for the clearance of street letter-boxes in connection with the different deliveries, and thus to create a continuous system of local delivery, and also to do away with the expensive agency (letter-box peons) now employed for the purpose of collecting letters.
- (d) To prevent the usual waste of time on the part of postmen in travelling from the post office to their beats and back, by employing a much

cheaper agency (boy-messengers) to convey mail matter to the postmen on the beats.

2. It will be interesting to illustrate the loss of time that occurs under the old method of bringing postmen to the office for each delivery. Suppose a city to consist of 144 beats at such distances from the post offices that on the average five minutes are spent in walking to each beat and the same in returning. One hundred and forty-four beats + 10 minutes = 1,400 minutes = 24 hours. The postmen would actually waste one day at each delivery, which, at 8 hours per man, is the working time of three postmen. Suppose the city to make 16 deliveries daily, as is done in Calcutta, the loss of time would amount to 384 hours for each working day, which figure represents 16 days, and is equal to the working time of 48 postmen. The continuous system saves this loss of time by providing fresh mail matter for each postman every hour at the base of his beat; or to put the case in other but equally significant language, the work of 336 men is performed by 288 men."

The main feature of the scheme is that each postman has a central station on his beat to which articles for delivery are brought at short intervals by messengers from the post office. The postman can, therefore, work continuously at his delivery without going to and from the office. This scheme led to a large increase of local correspondence in Calcutta where there are sixteen local deliveries, and the scheme was extended to Bombay, Simla and a few other places. Local work is the most profitable to the revenue, as the cost of transit is eliminated. In some towns on the continent half the ordinary rates are charged for the local post. Mr. Fawcett once gave as his opinion that :—

"A private management might probably have introduced a half-penny post in London, and have left the country worse served than at present."

The District Dâk.—The conditions of the District Dâk varied in each province.

In Bengal it was called the Zemindary Dâk, and under section 10, Regulation XX of 1817, the Law required zemindars (landowners) to maintain a number of runners for the carriage of despatches between the thanas (police stations) and the District Magistrate's Court. The work was so badly done, that these duties were resigned for a fixed assessment, and the maintenance of these lines for official correspondence were placed under the control of the Magistrate. So late as 1850 these posts were not available to the public, or even the zemindars who paid for them.

In the United (then North-West) Provinces the system under which the dâks were maintained was not uniform. In some districts a general cess, varying from one anna and a quarter to one anna and three quarters on every hundred rupees of land revenue was collected from the zemindars for the support of the dâk. In some districts the villages through which the road happens to pass were compelled to keep up an establishment for the conveyance of Police reports, and in other districts the dâks were conveyed by Police establishments without cost to the inhabitants. The district dâks in the United (then North-West) Provinces were made available for private correspondence in 1838.

In Madras, district dâks were maintained for the transmission of official correspondence between the Collectors and Magistrates and all their subordinate officers, the dâks being carried by the peons of the Revenue or Police establishments. In 1846 these posts were opened to the public.

In Bombay, daily communication was maintained between the principal station of a district and the towns in which the head district offices were located, and were carried by Revenue and Police peons. In 1841 the public were allowed to use these dâks.

Generally the district dâks were confined to the limits of each particular district, and when the Post Office began to develop, it relieved the Magistrates of their control (1864-68), and the lines were worked as an auxiliary to the Post Office.



A Postman, Punjab.

system, but were maintained from the funds of the local cess. It was subsequently introduced as a policy, that when district dâk establishments became self-supporting, the charges were to be accepted by the Imperial Post. In 1906 the Government abolished the cess and now district offices and lines form a regular part of the Post Office, and the charge for their maintenance is an imperial one.

Vernacular correspondence.—Vernacular letters which in 1892-93 represented 55·37 per cent. of the entire correspondence of the country, present many difficulties with which the Indian Post Office has to contend. Mr. C. W. Hutchinson, when Postmaster-General of the United Provinces, had a book compiled consisting of specimens of the various vernacular characters passing through post offices in India. This book contains 73 plates, each presenting a specimen of a different character. It can well be conceived what a formidable task the department has in deciphering such characters even when legibly written, and the perfect equipment of offices, is a sheer impossibility. Then there is the habit of using the flimsiest paper folded in the minutest compass. To the Oriental mind the outside of a letter is the appropriate place for sending salutations and greetings, and for expressing pious hopes for the welfare and long life of the person addressed. And this is not all, for the person addressed cannot be named without the addition of some complimentary title of respect or honour or some high-flown phrase of flattery. The following is a translation of the address on three letters :—

(1) If the Almighty pleases—Let this envelope having arrived in Calcutta, at the counting house of Nabi Bukhsh merchant, native of Shahjehanabad, in the neighbourhood of Colootolah, on the high road within Calcutta, from thence be presented to, and read by his bountiful highness, the respected brother, Munshi Manik Chand.

To his highness the respected brother, beneficent Lord of us the poor, my benefactor, Munshi Manik Chand—may his good fortune continue.

The petition of Ganeshi Lal, native of Samlee, from Cashbah Noor Majee, Zilla Mozaffernagar. Date of writing—
The postage has been paid.

(2) Through the favour of God—May this cover having arrived at Burdwan, close to Khanpukharea, and reached Chaka Mulla, be presented to, and read by the blessed light of my eyes, Mean Budhu, may the Almighty protect him.

(3) If the Almighty pleases—Let this envelope having arrived at the city of Calcutta, in the neighbourhood of Colootolah, at the counting house of Sirajuddin and Illakdad merchants, be offered to and read by the happy light of my eyes, of virtuous manners and beloved of the heart—Mean Shaikh Inayat Ali, may his life be long. Written on the tenth of the blessed Rāmzan, Saturday, in the year 1266 of the Hegira of our Prophet, and despatched unpaid.

Having without loss of time paid the postage and received the letter, you will read it, and having abstained from food or drink, considering it forbidden to you, you will convey yourself to Jounpur, and you will know this to be a strict injunction. Despatched from Jounpur, neighbourhood of the old Bazar, the blessing note of Shaikh Ihadulla, pleader of the Munsiff's Court of the city of Jounpur.

The difficulties are further aggravated by the postmarks which, for want of space, have to be impressed on the address. The unfortunate postal officials have to wade through these details, and the time and trouble involved is considerable. The easiest work which a sorting section in this country has to dispose of is the overland mail, for the simple reason that the directions are written almost solely in English and after the English method.

A further source of trouble is referred to by Sir Arthur Fanshawe, the late Director-General, in the following words :—

“ Another difficulty, which still remains a difficulty, has its root in the vagueness, the lack of precision, the habit of dwelling on generalities, which are characteristic of life in the East. What the Post Office requires for the delivery of a letter

is a definite local habitation as well as a name, and it is this definite local habitation which is often wanting. An Indian town is usually divided into quarters, or into bazars bearing different names; but the houses in these quarters or bazars are not numbered, and this makes an initial difficulty where any letters except those for old established residents are concerned. In many cases, however, the actual information vouchsafed in the address on the letter is much less definite than the name of a bazar, and the whercabouts of the person addressed is often indicated only in the most general way, in relation to some public building or natural object. 'In the direction of the Jumma Mosque' or 'in the neighbourhood of Hanuman's tank' would still be considered quite a sufficient guide for the delivery postmen."

Various steps have been taken by the Post Office in this matter. One was in inducing the Educational Department to teach in primary schools the correct method of addressing a letter. Another partial remedy was the provision of a suitable sized embossed half-anna envelope, which is sold at the face value of the stamp. This measure was introduced in 1873 in order to encourage the habit of pre-payment among the native population, and to induce them to use covers of a proper size and texture, and at once became extremely popular. Its effect was to reduce the postage, already the cheapest in the world, by the cost of the envelopes. The difference between the cost of 60,000 reams of envelopes and an equivalent number of labels is about £9,000, but the object in view and the results attained fully justified this liberality.

Another difficulty is the very large proportion of unpaid letters, which in 1897 amounted to one-seventh part of the whole. The proportion of unpaid letters is highest in those provinces which have a large emigrant population or are backward. During 1887-88 in Behar and Oudh the unpaid letters were nearly half as many as the paid letters, while in Burma they were in the proportion of two-thirds to the paid letters.

In the Dead Letter Office it is found that the proportion of letters disposed of compared to the number received varies considerably according to the languages in which they are written. Ninety per cent. of English letters and 70 per cent. of Marathi letters are disposed of, the reason being that the address of the sender is almost always given in English correspondence, and very commonly in Marathi ones. In the case of Gujrathi letters, the percentage of disposal is only 40 per cent. and in Portuguese letters only 25 per cent., owing to the general absence of details as to the address of the sender.

Complaints.—The number of complaints made by the public every year is exceedingly small in relation to the vast amount of business of every kind which the Post Office transacts, and many although couched as complaints are in reality mere enquiries as to letters which the person addressed has never acknowledged. Hardly a third of the complaints prove on enquiry to be well founded. Many of the complaints are made with absolute recklessness and without any attempts to verify facts. A few instances of these may be mentioned. A lady made a serious charge that one of her newspapers was being regularly stolen, while it turned out on enquiry that the paper had been discontinued because her subscription had not been renewed.

A European official complained that he had not received a box of cigarettes which had been despatched from Port Said three months previously, and on the production of his own receipt for the box explained that it had been put away without his knowledge by his servant.

A gentleman complained that two letters containing large cheques and addressed to well-known mercantile houses had not been delivered; but it was found on investigation that the letters were by accident not posted at all.

A firm complained that a letter containing a life insurance policy had not been received by the addressee, but it was

ascertained on enquiry that the letter was duly delivered and afterwards mislaid by a member of the addressee's household.

A large native firm complained that a currency note had been abstracted from a parcel received by them, and said the parcel had been opened by one of its trusted assistants. Later on, but not till a Post Office official called at the firm for enquiry, they stated that the currency note had been found lying amongst some waste paper in their shop.

A European commissioned officer complained that a V.-P. parcel posted to his address had not reached him. When the sender was asked to give particulars of the parcel he said it had never been posted.

In India it rarely happens that even the most important letters are posted by the senders themselves, or persons whose honesty, care and punctuality can be relied on, and enquiry very frequently discloses that the servant entrusted with the posting is the person in fault.

It is a matter of common experience to meet coolies wandering about with letters, to be delivered by hand, and appealing casually to any passer-by for suggestions as to what should be done with them, and persons of the same class are only too frequently employed to take letters to the post.

In countries and cities commercially advanced it is impossible for a delivery to be delayed or a single clearance of a letter-box to be neglected without sufficient complaints being received to enable the administration to localise the fault and detect the offender. Such is not the case in India. The comparative backwardness of the country, the apathy of its people, the result of satisfaction, and the enervating effect of the climate on foreign residents, all combine to deprive the administration of the aid derived in other countries from the numerous complaints that follow every omission or neglect. In 1907-08, of the 826½ millions of articles passing through the post, only 46,718 complaints were received, regarding delay, loss, damage, tampering, overcharge, etc., or one for every 17,694 articles.

The Post Office is most anxious to receive complaints founded on well ascertained facts, as these are a valuable check on working, and one of the means by which defective procedure can be brought to light, and responsibility fixed for neglect or misconduct. One cause of complaint is the large number of articles that are posted without addresses. Special statistics were kept at all Dead Letter Offices in 1896, and from these it appears that about 800 letters, 1,800 post-cards, 1,000 newspapers and 350 packets were received every *month* without any addresses at all, and 2,660 newspapers and 1,200 packets without covers.

In the United Kingdom more than 25,000 such articles were received during 1887-88.

Another cause of complaint is the insecure manner of closing newspapers, and packets from the United Kingdom. Flimsy wrappers are used and the articles arrive at Bombay without covers. 9,462 were received in the Bombay Dead Letter Office during 1891-92.

A certain number of complaints appear to be prompted by bad feeling towards individual members of the postal staff, and this is specially the case with complaints against schoolmasters in charge of post offices, and a considerable number of complaints were found on enquiry to have originated with schoolboys, apparently from no other motive than to gain experience in English official correspondence.

Costly bonnets are sent out to India enclosed in common card-board boxes, and the senders are surprised that they have been crushed.

The non-arrival of a parcel or important letter on the date on which it is expected by the addressee, is sometimes made the occasion of a complaint, and the practice on the part of certain Calcutta firms of sending invoices of parcels some days in advance of the parcels themselves had led to several representations of this kind.

A newspaper proprietor made a series of representations about the disappearance of copies of his publication in the post,

but the case was cleared up by the detection of the messenger of the newspaper office in the act of selling a bundle of copies for his own profit instead of posting them.

Many complaints are made with the sole object of eliciting news regarding silent relatives.

Professional letter and petition writers often destroy money order acknowledgments addressed to their care for illiterate clients, in order to secure additional business by being employed to write complaints regarding the supposed miscarriage of the money orders.

Another source of frequent complaints is faulty account-keeping on the part of native firms. In one instance a native firm complained that money orders in payment of the value of no less than 53 articles despatched under the V.-P. system had not been paid. On enquiry it transpired that money orders had actually been paid in 52 cases, and in the 53rd the article itself had been returned to the firm as refused.

The following may be cited as complaints peculiar to India :—That a post office has been placed in a quarter of a village which low caste Hindus were not allowed to visit ; or abuses in connection with delivery work arising from the employment of high caste postmen in delivery beats which included quarters occupied by Pariahs and low caste Hindus.

A series of complaints was received against the sub-post-master and clerk of an office, which were found on enquiry to have been made maliciously, at the instigation of the local hospital assistant, because they adhered strictly to departmental rules.

Numerous complaints having been received against a village postman, a superior officer was deputed to enquire into the matter on the spot. It was then ascertained that the complaints had been lodged by or on behalf of a prominent resident of the village, who thought that he had been insulted, because the village postman had once, inadvertently handed him a letter with his left, instead of with his right hand, and

that the whole of them were either made up, or grave exaggerations.

A complaint signed by a number of the residents of a village contained charges against the branch postmaster of extorting illegal gratification. Enquiries showed that the signatories to the paper had no cause for complaint and that a resident of the place who owed the branch postmaster a grudge had obtained their signatures by misrepresenting that the paper contained a request for the establishment of a post office at the village.

A complaint that a branch postmaster had tampered with a man's letters and had made away with some of them, was found to be malicious. The complainant's object in making it was to revenge himself upon the branch postmaster who was second master in a school, a post from which the complainant had been removed.

Postal arrangements in Native States.—

The Imperial Gazetteer says :—"The operations of the Imperial Post Office extended to all the Native States of India which never had postal systems of their own, and to a large number of States, including Kashmir, Baroda, and Mysore, which have given up their separate systems. At the end of the year 1903-04 only twenty-two Native States still maintained independent postal arrangements; and with five of these (Patiala, Nabha, Jhind, Chamba and Gwalior) special conventions have been made under which these States use the stamps of the Indian Post Office overprinted with their arms or name, and each party to the convention recognises the stamps of the other parties for all purposes of the inland post. The postal arrangements in the remaining seventeen States, which have systems of their own, were in most cases made primarily for the purposes of State official correspondence and have been more or less extended so as to afford facilities to the public. (The seventeen States in question are Hyderabad, Travancore, Cochin, Indore, Bhopal, Orchha, Datia, and Chhatarpur, in Central India; Jaipur, Udaipur, Bundi, Kishangarh,

and *Shahpura*, in Rajputana ; Bhor and Junagarh in the Bombay Presidency ; and Las Bela (Baluchistan). Those shown in italics do not use postage stamps ; the others have stamps of their own.)

The public facilities vary very much within these States ; but except by the payment of an extra postal charge they afford practically no postal communication to or from any outside part of India or with any other country. This and other conveniences have led to the establishment of a certain number of Imperial Post Offices in most of the Native States in question, and these generally carry on all classes of postal work in the same way as offices in British territory."

On account of the very large number of mail highway robberies in the Native States, orders were issued by Government in July 1866 under which Native States have to pay the full value of the plundered property, without any exemption on account of bullion or other valuables which may form part of the property. The effect of these orders was, that in 1865-66 there were 36 mail highway robberies, and in 1866-67 the number had fallen to 26, and in 1876-77 to 4.

The Field Post Office.—Field offices accompanied the troops in the Afghan war of 1878-80, and a mail cart line was established between Peshawar and Jallalabad, 80 miles, with a horse post extension to Kabul, 96 miles. A military transport train was also worked by the Post Office between the rail-head at Jhelum and Peshawar, a distance of 175 miles.

The offices were so useful that they now form a recognised factor in every campaign in which Indian troops are employed.

The field equipment and stock are kept at Lahore ready for immediate issue and all the arrangements to accompany an expedition are made from the Punjab circle. To illustrate how quickly arrangements are carried out it may be mentioned that about mid-day on Monday, 10th February, 1908, the Postmaster-General at Lahore was informed that there would probably be an expedition shortly, but its composition and date of departure were not communicated. Tents and

equipment were despatched from Lahore that evening to Peshawar, about 300 miles away, in anticipation of events. A force marched out of Peshawar on the morning of Thursday, 14th idem, for the Bazar Valley, and this was accompanied with a complement of field post offices.

The Field Service Manual (Postal), second edition, 1900, compiled in connection with the Military Department gives details as to:—Preliminary arrangements; organisation; general conditions of postal work in the field; working arrangements of the base office and field offices; field allowances; scale of rank for precedence to postal officers; tents, transport and rations; supervising officers' duties; scale of field service kit; description of uniforms; and list of articles, forming the equipment of each field post office.

Organisation.—The control of the Department is vested in a Director-General who has attached to his office two Deputies and four Assistants. It forms a branch of the Commerce and Industry Department of the Government of India. For convenience of working it is divided into eight circles, each under the charge of a Postmaster-General, who is assisted in most cases by a Deputy and three Personal Assistants. The circles are Bengal, Bombay, Madras, the United Provinces, Punjab, EastCm Bengal and Assam, Central Provinces, and Burma.

Each circle is divided into divisions, which generally consist of two districts, in charge of a Superintendent, who is immediately subordinate to the Postmaster-General, and the Superintendent has two or more Inspectors to assist him in the inspection of the smaller offices, and the management of the mail lines.

The Railway Mail Service forms a separate branch, and is under four Inspectors-General who have Superintendents under them in charge of the several divisions.

The account branch is under an Accountant-General at Calcutta, who has under him four audit offices at Calcutta,

Nagpur, Madras and Delhi, which are in charge of Deputy Accountants-General.

The post offices consist of head, sub and branch. The head offices are at the head-quarters of the district, and the accounts of the sub and branch offices are incorporated in those of the head office. Sub-offices are in the most important towns, and the branch offices in the larger villages. Most of the branch offices are in charge of extra-departmental men, such as schoolmasters, station-masters, shop-keepers, pensioners, etc., who perform postal duties in return for a small remuneration.

From a return prepared in 1885 it appears that out of 6,304 postmasters employed in that year only 450 drew a salary in excess of Rs. 40 per mensem. Out of 264 appointments carrying salaries above Rs. 100 and upwards, and including the Director-General, the Deputy Director-General, the Assistant Director-General, the Postmasters-General and the Sea Mail Officers, in 1887 there were only 46 Europeans who were not statutory natives.

On 31st March, 1908, the staff consisted of:—

Chief Officers of the Direction, Account Officers, and Heads of Circles, and Superintendent, Workshop ...	33
Superintendents, Probationary Superintendents, Assistant Superintendents and Inspectors ...	594
Postmasters, including Deputy, Assistant, Sub and Branch Postmasters ...	6,590
Extraneous agents, such as Schoolmasters and Station-masters ...	11,387
Clerks ...	12,715
Postmen and other servants ...	24,654
Road Establishment ...	20,639
Village Postmen ...	8,335
Signallers and other servants employed for telegraph work in combined offices ...	3,453
TOTAL ...	88,400

In the United Kingdom the percentage of salaries (*i.e.*, wages bill) to the total revenue was 47.68 per cent. during 1907-08. And dishonesty accounted for 23 per cent. of the

whole number of dismissals, whilst intemperance was responsible for 36 per cent. of the dismissals and 66 per cent. of the losses of good conduct stripes.

In the New Zealand Post Office for the year 1907 the proportion of salaries to the total expenditure was 59·06; whereas in India it was 59·3.

An Asiatic regards women from quite a different standard to the European, and hence very few women are employed in the Post Office in India. These are all Europeans, and are chiefly employed as typists, or as counter clerks in a few of the larger offices, whereas one-fifth of the staff in the United Kingdom are women.

Financial & Practical Results.—The following table shows for every decade, the financial results in lakhs of rupees:—

Year.	Receipts.	Expenditure.	Surplus + deficit —
1860-1	65	57	+ 9
1870-1	92	88	+ 4
1880-1	102	111	- 9
1890-1	140	139	+ 1
1900-1	204	184	+ 20
1907-8	262	230	+ 3¼

A very small percentage of the population is literate, and in 1907-08 there were only 2·92 letters to each person as compared with 112·5 in the United Kingdom. When India is conquered by the educationalist, the revenue is likely to greatly expand, but with the present cheap half-anna ($\frac{1}{2}d.$) letter rate and the farthing post-card, it is never likely to reach the great surpluses obtained in the United Kingdom with a penny letter rate and the half-penny post-card.

The Post Office is so closely connected with the public that the least friction or irregularity in its working gives rise

to general complaint in the Public Press. In the United Kingdom, Parliamentary Committees are appointed every few years, as occasion demands, to enquire into the working of the Department, or some of its branches, or on its labour disputes, alleged abuses, rates, etc. It shows with what ability and success the Post Office of India has been worked, to point out that the last Post Office Commission in India was, in 1850. The department was then in a primitive state, and the Commission was ordered by Government for the purpose of considering its proper organising. The result was the appointment of a central authority (Director-General) for the whole of India, and the organisation of the department on its present footing, as already explained in the previous Chapter. Since then no committee of enquiry has been needed as the department has kept abreast of improvements in other parts of the world, and all reforms have been suggested and carried out from within. In a sister department, Government have ordered two committees of enquiry within the last three years, and an expert from England was deputed to overhaul and bring the working arrangements up to date. When the Germans sent a commission of enquiry into the postal administrations of the world, the Post Office of India was considered in their estimation to rank as the 4th and above that of the United Kingdom. Even the natives themselves regard the Indian Post Office as one of the great successes of British Administration in India.

STATISTICS.

SAVINGS BANK TRANSACTIONS.

	1885-6.	1890-1.	1895-6.	1900-1.	1905-6.
Depositors ..	155,009	408,544	653,872	816,651	1,115,758
Deposits in lakhs of rupees ...	219	613	79	975	1,233
Interest in lakhs of rupees	7	22	25	29	35

The figures for the last report show that on 31st March, 1909, there were 1,318,632 accounts, and the amount at the credit of depositors exceeded 15 crores, 23 lakhs, and that 91·22 per cent. of the accounts were held by natives: showing that among the respectable and saving sections of the community there is no question of the good faith or stability of the Government.

In 1906-07 there was 1 account for every 4·24 of the population in the United Kingdom, whereas in India there was 1 for every 236·5; and at the end of the year the balance gave an average per head of population—in India about 8 annas, in the United Kingdom £3 9s. and in New Zealand £11-0-0.

POSTAL LINES.

Year.	Railway.	Steamer services, sea and river.	Mail carts, horses, camels, &c.	Runners and boats.*	TOTAL.
	Miles.	Miles	Miles.	Miles.	Miles.
1860-1	1,046	...	5,740	36,784	43,570
1870-1	4,993	6,184	4,175	36,911	52,263
1880-1	9,455	14,308	2,635	63,995	90,593
1890-1	16,522	13,680	4,400	74,630	109,232
1900-1	22,839	15,822	7,937	85,023	131,621
1908 09	31,528	19,083	9,723	96,299	156,633

* It may seem strange that boat communications should be included under the same head as runners' lines, but in various parts of the country the two are in point of fact interchangeable. In Eastern Bengal, for instance, each year, with the advent of the monsoon, more than 1,200 miles of road over which mails had been carried by runners, regularly become water-ways, only navigable by boats.

The percentage of expenditure for the conveyance of mails to the total revenue, was in the United Kingdom for the year 4 per cent.

GENERAL STATISTICS.

YEAR	NUMBER OF POST OFFICES.	NUMBER OF LETTER BOXES.	NUMBER OF ARTICLES CARRIED.					Total
			Letters.	Post-cards.	Packets.	News-papers.	Parcels.	
1860-1	889	192	42,981,708	..	272,560	4,552,268	563,676	48,490,212
1870-1	2,736	1,608	77,303,074	..	1,127,189	6,565,323	694,237	85,689,823
1880-1	5,264	8,449	128,672,984	14,865,121	2,105,579	11,942,034	1,080,868	158,666,855
1890-1	9,419	14,271	179,678,236	101,062,176	10,375,319	24,935,368	1,901,547	317,052,646
1900-1	12,970	25,507	250,858,165	218,351,317	28,302,751	32,091,400	2,679,109	532,282,742
1908-9	18,399	43,577	393,549,163	383,746,244	51,579,843	50,107,779	6,140,819	885,123,868

New Zealand has a greater number of post offices in proportion to population than any other country in the Postal Union, there being one office to every 465 inhabitants. Next in order are New South Wales 1 to 635; Victoria 1 to 734; Norway 1 to 886; Switzerland 1 to 916; the United States 1 to 1,017; Germany 1 to 1,482; Sweden 1 to 1,844; and Great Britain 1 to 1,858 inhabitants. India has 1 to 15,897.

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